



QUARTERLY STATEMENT

AS OF MARCH 31, 2010  
OF THE CONDITION AND AFFAIRS OF THE

Group Hospitalization and Medical Services, Inc.

NAIC Group Code	00380	00380	NAIC Company Code	53007	Employer's ID Number	53-0078070
	(Current Period)	(Prior Period)				
Organized under the Laws of	District of Columbia		State of Domicile or Port of Entry	District of Columbia		
Country of Domicile	United States					
Licensed as business type:	Life, Accident & Health [ ]		Property/Casualty [ ]	Hospital, Medical & Dental Service or Indemnity [ X ]		
	Dental Service Corporation [ ]		Vision Service Corporation [ ]	Health Maintenance Organization [ ]		
	Other [ ]			Is HMO, Federally Qualified? Yes [ ] No [ ]		
Incorporated/Organized	08/11/1939		Commenced Business	03/15/1934		
Statutory Home Office	840 First Street NE		Washington, DC 20065			
	(Street and Number)		(City or Town, State and Zip Code)			
Main Administrative Office	10455 Mill Run Circle		Owings Mills, MD 21117	410-581-3000		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	10455 Mill Run Circle		Owings Mills, MD 21117			
	(Street and Number or P.O. Box)		(City or Town, State and Zip Code)			
Primary Location of Books and Records	10455 Mill Run Circle		Owings Mills, MD 21117	410-998-7011		
	(Street and Number)		(City or Town, State and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	www.carefirst.com					
Statutory Statement Contact	William Vincent Stack		410-998-7011			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	bill.stack@carefirst.com		410-998-6850			
	(E-mail Address)		(FAX Number)			

OFFICERS

Name	Title	Name	Title
Chester Emerson Burrell	President and Chief Executive Officer	John Anthony Picciotto	Corp.Secretary, Exec. VP & Gen. Counsel
Jeanne Ann Kennedy	Corp. Treasurer & VP		

OTHER OFFICERS

David Donald Wolf	EVP, Medical Systems	Gregory Mark Chaney	EVP, CFO
Gregory Allen Devou	EVP, Chief Mktg Officer	Michael Bruce Edwards	SVP, Networks Mgmt
Gwendolyn Denise Skillern	SVP, General Auditor	Fred Adrian Walton Plumb	SVP, ASU-FEP
Michael John Felber	SVP, Sales	Rita Ann Costello	SVP, Strategic Marketing
Maria Harris Tildon	SVP, Public Policy	Jon Paul Shematek, M.D.	SVP, Chief Medical Officer
Kenny Waitem Kan	SVP, Chief Actuary	Andrew Francis Sullivan	SVP, ASU-Consumer Direct
Kevin Charles O'Neill	SVP, Strategic Managed Care Initiatives	Steven Jon Margolis	SVP, ASU-Small & Medium Groups

DIRECTORS OR TRUSTEES

Elizabeth Oliver-Farrow	James Wallace	Linda Washington Cropp	Larry Donovan Bailey
Carlos Mario Rodriquez	Robert Marcellus Willis	Nathaniel Thomas Connally	Faye Ford Fields
Natalie Olivia Ludaway	Robert Lee Sloan	Ralph John Rohner	

State of Maryland ss  
County of Baltimore

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Chester Emerson Burrell President & Chief Executive Officer	John Anthony Picciotto Corp Secretary, Exec VP & Gen Counsel	Jeanne Ann Kennedy VP & Corp Treasurer
Subscribed and sworn to before me this day of ,		a. Is this an original filing? Yes [ X ] No [ ]
		b. If no:
		1. State the amendment number
		2. Date filed
		3. Number of pages attached

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

ASSETS

	Current Statement Date			4
	1	2	3	December 31 Prior Year Net Admitted Assets
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	838,270,843		838,270,843	709,120,314
2. Stocks:				
2.1 Preferred stocks .....	3,432,350		3,432,350	4,626,208
2.2 Common stocks .....	246,648,340		246,648,340	266,642,938
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....(66,618,713) ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....89,488,840 ) .....	22,870,127		22,870,127	(4,915,652)
6. Contract loans (including \$ .....premium notes) .....			0	0
7. Derivatives .....			0	
8. Other invested assets .....	10,221,942	166,667	10,055,275	10,337,765
9. Receivables for securities .....			0	0
10. Aggregate write-ins for invested assets .....	0	0	0	0
11. Subtotals, cash and invested assets (Lines 1 to 10) .....	1,121,443,602	166,667	1,121,276,935	985,811,573
12. Title plants less \$ .....charged off (for Title insurers only) .....			0	0
13. Investment income due and accrued .....	6,514,209		6,514,209	6,338,681
14. Premiums and considerations:				
14.1 Uncollected premiums and agents' balances in the course of collection .....	232,399,777	6,620,320	225,779,457	233,636,800
14.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ .....earned but unbilled premiums) .....			0	0
14.3 Accrued retrospective premiums .....			0	0
15. Reinsurance:				
15.1 Amounts recoverable from reinsurers .....			0	24,725,173
15.2 Funds held by or deposited with reinsured companies .....			0	0
15.3 Other amounts receivable under reinsurance contracts .....	576,488		576,488	835,899
16. Amounts receivable relating to uninsured plans .....	49,007,283	5,223,063	43,784,220	40,869,627
17.1 Current federal and foreign income tax recoverable and interest thereon .....			0	8,257,680
17.2 Net deferred tax asset .....	46,594,242	27,916,421	18,677,821	17,326,378
18. Guaranty funds receivable or on deposit .....			0	0
19. Electronic data processing equipment and software .....	93,980,764	92,241,051	1,739,713	1,869,986
20. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	6,645,641	6,645,641	0	0
21. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
22. Receivables from parent, subsidiaries and affiliates .....	3,646,394		3,646,394	4,559,156
23. Health care (\$ .....51,838,117 ) and other amounts receivable .....	562,325,570	4,301,608	558,023,962	560,908,988
24. Aggregate write-ins for other than invested assets .....	82,892,682	81,491,896	1,400,786	2,414,019
25. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 11 to 24) .....	2,206,026,652	224,606,667	1,981,419,985	1,887,553,960
26. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
27. Total (Lines 25 and 26) .....	2,206,026,652	224,606,667	1,981,419,985	1,887,553,960
DETAILS OF WRITE-INS				
1001. ....			0	0
1002. ....			0	0
1003. ....			0	0
1098. Summary of remaining write-ins for Line 10 from overflow page .....	0	0	0	0
1099. Totals (Lines 1001 through 1003 plus 1098) (Line 10 above) .....	0	0	0	0
2401. Other Assets .....	1,400,786		1,400,786	2,414,019
2402. Other Assets Non-Admitted .....	28,411,676	28,411,676	0	0
2403. Pension .....	53,080,220	53,080,220	0	0
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	82,892,682	81,491,896	1,400,786	2,414,019

LIABILITIES, CAPITAL AND SURPLUS

	Current Period			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ .....32,122,283 reinsurance ceded).....	276,902,627	31,685	276,934,312	252,990,782
2. Accrued medical incentive pool and bonus amounts .....			0	0
3. Unpaid claims adjustment expenses .....	10,702,775	1,225	10,704,000	10,604,000
4. Aggregate health policy reserves .....	506,185,845		506,185,845	506,185,845
5. Aggregate life policy reserves .....			0	0
6. Property/casualty unearned premium reserve .....			0	0
7. Aggregate health claim reserves .....			0	0
8. Premiums received in advance .....	84,678,533		84,678,533	65,643,239
9. General expenses due or accrued .....	85,492,900		85,492,900	103,086,984
10.1 Current federal and foreign income tax payable and interest thereon (including \$ .....1,830,723 on realized gains (losses)) .....	5,914,612		5,914,612	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable .....	24,410,136		24,410,136	49,526,217
12. Amounts withheld or retained for the account of others .....	34,350,310		34,350,310	55,780,751
13. Remittances and items not allocated .....	2,157,647		2,157,647	9,692,451
14. Borrowed money (including \$ ..... current) and interest thereon \$ ..... (including \$ ..... current) .....			0	0
15. Amounts due to parent, subsidiaries and affiliates .....	137,956,960		137,956,960	38,830,160
16. Derivatives .....			0	
17. Payable for securities .....			0	0
18. Funds held under reinsurance treaties (with \$ ..... authorized reinsurers and \$ .....unauthorized reinsurers) .....			0	0
19. Reinsurance in unauthorized companies .....			0	0
20. Net adjustments in assets and liabilities due to foreign exchange rates .....			0	0
21. Liability for amounts held under uninsured plans .....	26,787,092		26,787,092	25,522,569
22. Aggregate write-ins for other liabilities (including \$ .....3,885,921 current) .....	11,991,348	0	11,991,348	8,232,547
23. Total liabilities (Lines 1 to 22).....	1,207,530,785	32,910	1,207,563,695	1,126,095,545
24. Aggregate write-ins for special surplus funds .....	XXX	XXX	0	0
25. Common capital stock .....	XXX	XXX		0
26. Preferred capital stock .....	XXX	XXX		0
27. Gross paid in and contributed surplus .....	XXX	XXX		0
28. Surplus notes .....	XXX	XXX		0
29. Aggregate write-ins for other than special surplus funds .....	XXX	XXX	0	0
30. Unassigned funds (surplus) .....	XXX	XXX	773,856,289	761,458,437
31. Less treasury stock, at cost:				
31.1 .....shares common (value included in Line 25 \$ ..... ) .....	XXX	XXX		0
31.2 .....shares preferred (value included in Line 26 \$ ..... ) .....	XXX	XXX		0
32. Total capital and surplus (Lines 24 to 30 minus Line 31) .....	XXX	XXX	773,856,289	761,458,437
33. Total liabilities, capital and surplus (Lines 23 and 32)	XXX	XXX	1,981,419,984	1,887,553,982
DETAILS OF WRITE-INS				
2201. Amounts Withheld for Escheatment.....	8,105,427		8,105,427	7,474,467
2202. Reinsurance Payable.....	3,885,921		3,885,921	758,080
2203. ....			0	0
2298. Summary of remaining write-ins for Line 22 from overflow page .....	0	0	0	0
2299. Totals (Lines 2201 through 2203 plus 2298) (Line 22 above)	11,991,348	0	11,991,348	8,232,547
2401. ....	XXX	XXX		0
2402. ....	XXX	XXX		0
2403. ....	XXX	XXX		0
2498. Summary of remaining write-ins for Line 24 from overflow page .....	XXX	XXX	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	XXX	XXX	0	0
2901. ....	XXX	XXX		0
2902. ....	XXX	XXX		0
2903. ....	XXX	XXX		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	XXX	XXX	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year To Date		Prior Year To Date	Prior Year Ended December 31
	1 Uncovered	2 Total	3 Total	4 Total
1. Member Months.....	XXX	2,442,294	2,714,124	10,297,022
2. Net premium income (including \$ non-health premium income).....	XXX	714,517,056	717,647,261	2,927,358,276
3. Change in unearned premium reserves and reserve for rate credits.....	XXX		0	(50,511,159)
4. Fee-for-service (net of \$ medical expenses).....	XXX		0	0
5. Risk revenue.....	XXX		0	0
6. Aggregate write-ins for other health care related revenues.....	XXX	4,039,952	2,453,528	14,020,781
7. Aggregate write-ins for other non-health revenues.....	XXX	0	0	0
8. Total revenues (Lines 2 to 7).....	XXX	718,557,008	720,100,789	2,890,867,898
<b>Hospital and Medical:</b>				
9. Hospital/medical benefits.....	73,410	442,621,279	457,026,619	1,830,129,882
10. Other professional services.....		15,184,678	14,560,876	61,623,633
11. Outside referrals.....	6,202	6,202	0	0
12. Emergency room and out-of-area.....		59,056,942	61,947,148	271,271,537
13. Prescription drugs.....		178,949,343	176,375,549	690,420,830
14. Aggregate write-ins for other hospital and medical.....	0	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....			0	0
16. Subtotal (Lines 9 to 15).....	79,612	695,818,444	709,910,192	2,853,445,882
<b>Less:</b>				
17. Net reinsurance recoveries.....		64,878,803	72,268,972	277,000,178
18. Total hospital and medical (Lines 16 minus 17).....	79,612	630,939,641	637,641,220	2,576,445,704
19. Non-health claims (net).....			0	0
20. Claims adjustment expenses, including \$ 4,929,108 cost containment expenses.....		23,561,618	25,059,824	97,283,480
21. General administrative expenses.....		55,335,035	51,574,300	218,271,245
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only).....			0	0
23. Total underwriting deductions (Lines 18 through 22).....	79,612	709,836,294	714,275,344	2,892,000,429
24. Net underwriting gain or (loss) (Lines 8 minus 23).....	XXX	8,720,714	5,825,445	(1,132,531)
25. Net investment income earned.....		8,619,871	8,956,104	33,411,421
26. Net realized capital gains (losses) less capital gains tax of \$ 1,830,723.....		7,322,890	71,260	11,041,476
27. Net investment gains (losses) (Lines 25 plus 26).....	0	15,942,761	9,027,364	44,452,897
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$ ) (amount charged off \$ )].....			0	0
29. Aggregate write-ins for other income or expenses.....	0	664,210	168,291	496,606
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	25,327,685	15,021,100	43,816,972
31. Federal and foreign income taxes incurred.....	XXX	3,131,875	3,878,947	(984,481)
32. Net income (loss) (Lines 30 minus 31).....	XXX	22,195,810	11,142,153	44,801,453
<b>DETAILS OF WRITE-INS</b>				
0601. FEP Performance Incentive.....	XXX	4,018,000	2,432,000	13,960,000
0602. Trigon Network fee- Med D.....	XXX	21,952	21,528	60,781
0603. ....	XXX			
0698. Summary of remaining write-ins for Line 6 from overflow page.....	XXX	0	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above).....	XXX	4,039,952	2,453,528	14,020,781
0701. ....	XXX		0	0
0702. ....	XXX		0	0
0703. ....	XXX		0	0
0798. Summary of remaining write-ins for Line 7 from overflow page.....	XXX	0	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above).....	XXX	0	0	0
1401. ....			0	0
1402. ....			0	0
1403. ....			0	0
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	0	0	0	0
2901. Miscellaneous.....		678,710	168,291	510,106
2902. Regulatory fines and fees.....		(14,500)	0	(13,500)
2903. ....				
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	664,210	168,291	496,606

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
33. Capital and surplus prior reporting year.....	761,458,437	686,779,719	686,779,717
34. Net income or (loss) from Line 32 .....	22,195,810	11,142,153	44,801,453
35. Change in valuation basis of aggregate policy and claim reserves .....		0	0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$ .....2,115,030	2,988,689	(7,050,965)	36,072,553
37. Change in net unrealized foreign exchange capital gain or (loss) .....		0	0
38. Change in net deferred income tax .....	3,589,189	2,106,303	(98,906,990)
39. Change in nonadmitted assets .....	(16,375,837)	(19,752,310)	73,130,315
40. Change in unauthorized reinsurance .....	0	0	0
41. Change in treasury stock .....		0	0
42. Change in surplus notes .....	0	0	0
43. Cumulative effect of changes in accounting principles .....		0	1,633,801
44. Capital Changes:			
44.1 Paid in .....		0	0
44.2 Transferred from surplus (Stock Dividend) .....		0	0
44.3 Transferred to surplus .....		0	0
45. Surplus adjustments:			
45.1 Paid in .....		0	0
45.2 Transferred to capital (Stock Dividend) .....	0	0	0
45.3 Transferred from capital .....		0	0
46. Dividends to stockholders .....		0	0
47. Aggregate write-ins for gains or (losses) in surplus .....	0	0	17,947,588
48. Net change in capital and surplus (Lines 34 to 47) .....	12,397,851	(13,554,819)	74,678,720
49. Capital and surplus end of reporting period (Line 33 plus 48)	773,856,288	673,224,900	761,458,437
<b>DETAILS OF WRITE-INS</b>			
4701. Change in accumulated other - pension.....		0	15,952,466
4702. Miscellaneous.....		0	1,995,122
4703. ....		0	0
4798. Summary of remaining write-ins for Line 47 from overflow page .....	0	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0	17,947,588

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	712,454,217	711,449,798	2,866,547,000
2. Net investment income	9,079,640	8,538,667	31,679,605
3. Miscellaneous income	4,039,952	2,453,528	13,960,000
4. Total (Lines 1 to 3)	725,573,809	722,441,993	2,912,186,605
5. Benefit and loss related payments	579,169,839	615,390,206	2,599,578,000
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	95,415,598	67,997,589	284,718,000
8. Dividends paid to policyholders		0	0
9. Federal and foreign income taxes paid (recovered) net of \$ 1,830,723 tax on capital gains (losses)	(4,979,635)	3,585,904	(3,241,000)
10. Total (Lines 5 through 9)	669,605,802	686,973,699	2,881,055,000
11. Net cash from operations (Line 4 minus Line 10)	55,968,007	35,468,294	31,131,605
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	248,452,281	149,956,052	883,118,287
12.2 Stocks	30,666,048	30,316,457	128,284,186
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	437,436	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	279	0	(135)
12.7 Miscellaneous proceeds	4,228,677	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	283,784,721	180,272,509	1,011,402,338
13. Cost of investments acquired (long-term only):			
13.1 Bonds	377,788,768	155,326,968	975,468,094
13.2 Stocks	53,223	22,224,546	57,851,998
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	0	379,347	10,383,380
13.6 Miscellaneous applications	278	8,503,054	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	377,842,269	186,433,915	1,043,703,472
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(94,057,548)	(6,161,406)	(32,301,134)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	0	0	0
16.6 Other cash provided (applied)	65,875,292	(35,019,867)	(25,930,890)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	65,875,292	(35,019,867)	(25,930,890)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	27,785,751	(5,712,979)	(27,100,419)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	(4,915,624)	22,184,795	22,184,795
19.2 End of period (Line 18 plus Line 19.1)	22,870,127	16,471,816	(4,915,624)

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION

	1	Comprehensive (Hospital & Medical)		4	5	6	7	8	9	10
		2	3							
	Total	Individual	Group	Medicare Supplement	Vision Only	Dental Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
Total Members at end of:										
1. Prior Year .....	861,753	51,439	347,469	5,546	.0	17,057	354,275	.63	.0	.85,904
2 First Quarter .....	814,297	52,193	330,472	5,446	.0	19,081	354,979	.0	.0	.52,126
3 Second Quarter .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4 Third Quarter .....	.0									
5 Current Year	0									
6 Current Year Member Months	2,442,294	155,430	995,166	16,490		54,040	1,064,491			156,677
Total Member Ambulatory Encounters for Period:										
7. Physician .....	1,053,939	54,721	421,527	7,026			570,654			.11
8. Non-Physician .....	150,801	7,036	50,572	1,465			91,725			3
9. Total	1,204,740	61,757	472,099	8,491	0	0	662,379	0	0	14
10. Hospital Patient Days Incurred	34,281	1,665	9,122	956			22,538			
11. Number of Inpatient Admissions	8,152	369	2,635	133			5,015			
12. Health Premiums Written (a).....	792,292,112	39,677,150	355,841,156	3,760,699		18,732,031	370,014,919			4,266,157
13. Life Premiums Direct .....	.0									
14. Property/Casualty Premiums Written .....	.0									
15. Health Premiums Earned .....	792,292,112	39,677,150	355,841,156	3,760,699		18,732,031	370,014,919			4,266,157
16. Property/Casualty Premiums Earned .....	.0									
17. Amount Paid for Provision of Health Care Services .....	667,951,993	27,861,582	274,085,164	2,293,143		10,155,951	352,799,449	129,526		627,178
18. Amount Incurred for Provision of Health Care Services	695,818,443	33,094,685	292,692,119	5,272,376		10,731,431	353,322,788	71,466		633,578

(a) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$ 0

## CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

[illegible]



UNDERWRITING AND INVESTMENT EXHIBIT  
ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

Line of Business	Claims Paid Year to Date		Liability End of Current Quarter		5  Claims Incurred in Prior Years (Columns 1 + 3)	6  Estimated Claim Reserve and Claim Liability Dec. 31 of Prior Year
	1  On Claims Incurred Prior to January 1 of Current Year	2  On Claims Incurred During the Year	3  On Claims Unpaid Dec. 31 of Prior Year	4  On Claims Incurred During the Year		
1. Comprehensive (hospital and medical) .....	70,948,874	184,565,206	18,525,853	96,901,788	89,474,727	96,215,458
2. Medicare Supplement .....	2,749,828	2,837,122	595,413	7,112,698	3,345,241	3,816,139
3. Dental Only .....	1,984,484	1,887,056	403,930	2,296,055	2,388,414	2,387,662
4. Vision Only .....					0	0
5. Federal Employees Health Benefits Plan .....	114,307,865	238,491,584	17,755,735	129,453,547	132,063,600	146,685,943
6. Title XVIII - Medicare .....	0	0	0	0	0	0
7. Title XIX - Medicaid .....					0	0
8. Other health .....	702,334	1,308,157	3,127,791	761,503	3,830,125	3,885,579
9. Health subtotal (Lines 1 to 8).....	190,693,385	429,089,125	40,408,722	236,525,591	231,102,107	252,990,781
10. Health care receivables (a) .....		12,786,402			0	0
11. Other non-health .....					0	0
12. Medical incentive pools and bonus amounts .....					0	0
13. Totals	190,693,385	416,302,723	40,408,722	236,525,591	231,102,107	252,990,781

(a) Excludes \$ .....34,100,300 loans or advances to providers not yet expensed.

## NOTES TO FINANCIAL STATEMENTS

### 1. Summary of Significant Accounting Policies

#### A. Accounting Practices

The financial statements of Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) are presented on the basis of accounting practices prescribed or permitted by the District of Columbia Department of Insurance, Securities, and Banking (DISB).

The DISB recognizes only statutory accounting practices prescribed or permitted by the District of Columbia for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the District of Columbia Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed practices by the District of Columbia. The Company does not utilize any permitted practices.

For the three months ending March 31, 2010 and 2009, there were no differences in net income and surplus between NAIC SAP and practices prescribed by the District of Columbia.

#### B. Use of Estimates in the Preparation of the Financial Statements

No change.

#### C. Accounting Policy

No change.

### 2. Accounting Changes and Corrections of Errors

None.

### 3. Business Combinations and Goodwill

Not applicable

### 4. Discontinued Operations

Not applicable.

### 5. Investments

#### A. Mortgage Loans

None.

#### B. Debt Restructuring

None.

#### C. Reverse Mortgages

None.

#### D. Loan-backed Securities

- (1) The admitted value and fair value of loan-backed securities at March 31, 2010 is \$322,141,874 and \$324,094,775, respectively.
- (2) The Company records its investment in loan-backed securities using the prospective adjustment method. Prepayment assumptions for single and multi-class mortgage-backed/other asset-backed securities are obtained from broker survey values. The Company uses IDC to determine the market value for such securities.
- (3) See Note 20G *Subprime Related Risk Exposure*.
- (4) For the quarter ended March 31, 2010, the Company did not recognize other than temporary impairment (OTTI) in mortgage-backed/other-asset backed securities on the basis of (a) intent to sell, (b) inability or lack of intent to retain the investment in a security for a period of time sufficient to recover the amortized cost basis, or (c) present value of cash flows expected to be collected is less than the amortized cost basis of the security.
- (5) For the quarter ended March 31, 2010, the Company did not recognize OTTI in mortgage-backed/other-asset backed securities that the Company has the intent to hold, but does not expect to recover the entire amortized cost basis of the securities.

The following table lists each security at the CUSIP level, currently held by the Company, for which OTTI was recognized in the prior year as the present value of cash flows expected to be collected is less than the amortized cost basis of the security (in thousands):

NOTES TO FINANCIAL STATEMENTS

CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized OTTI	Amortized Cost After OTTI	Fair Value at time of OTTI	Date of Financial Statement Where Reported
02148Y-AC-8	\$ 2,429	\$ 2,080	\$ 349	\$ 2,080	\$ 2,097	December 31, 2009
362334-CN-2	4,813	4,605	208	4,605	3,990	December 31, 2009
87222E-AC-2	2,545	2,076	469	2,076	2,073	December 31, 2009
87222P-AC-7	9,986	8,777	1,209	8,777	4,927	December 31, 2009
Total for the quarter ended December 31, 2009	\$ 19,773	\$ 17,538	\$ 2,235	\$ 17,538	\$ 13,087	

(6) The following table shows the gross unrealized losses and fair value of the Company’s mortgage-backed/other asset-backed securities with unrealized losses that are not deemed to be other than temporarily impaired, aggregated by investment category and length of time that individual securities have been in an unrealized loss position at March 31, 2010 (in thousands).

	Fair Value < 1 Year	Unrealized Losses < 1 Year	Fair Value > 1 Year	Unrealized Losses > 1 Year	Total Unrealized Losses
March 31, 2010					
Government Sponsored Enterprise mortgage-backed securities	\$ 89,272	\$ 3,198	\$ 488	\$ 122	\$ 3,320
Residential mortgage-backed securities	-	-	27,974	4,616	4,616
Commercial mortgage-backed securities	2,782	21	731	64	85
Other asset-backed securities	124	1	1,496	4	5
Total	\$ 92,178	\$ 3,220	30,689	\$ 4,806	\$ 8,026

(7) No change.

(8) The Company was able to estimate fair value in accordance with SSAP No. 27.

E. Repurchase Agreements and/or Securities Lending Transactions

None.

F. Real Estate

None.

G. Low-Income Housing Tax Credits (LIHTC)

None.

6. Joint Ventures, Partnerships and Limited Liability Companies

No change.

7. Investment Income

- A. No change.
- B. No change.

8. Derivative Instruments

Not applicable.

9. Income Taxes

The components of the net deferred tax asset recognized in the Company’s Assets, Liabilities, and Capital and Surplus are as follows:

	Mar. 31, 2010	Dec. 31, 2009
Total of gross deferred tax assets	\$50,361,875	\$46,526,196
Total of deferred tax liabilities	(3,767,633)	(5,636,172)
Net deferred tax asset	46,594,242	40,890,024
Deferred tax asset nonadmitted	(27,916,421)	(23,563,646)
Net admitted deferred tax asset	18,677,821	17,326,378

NOTES TO FINANCIAL STATEMENTS

(Increase) decrease in nonadmitted asset		\$(4,352,775)	113,100,581
--	--	---------------	-------------

The provisions for incurred taxes on earnings:

	Mar. 31, 2010	Mar. 31, 2009	Dec 31, 2009
Federal provision	3,131,875	3,878,947	(984,481)
Federal income tax on net capital gains	1,830,723	17,815	2,760,369
Federal income taxes incurred	4,962,598	3,896,762	1,775,888

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	Mar. 31, 2010	Dec. 31, 2009
Deferred tax assets:		
Accounts Receivable	\$3,816,336	\$2,601,598
Investments	4,725,429	7,506,042
Benefit Obligations	10,157,894	10,361,127
Accrued Expenses	6,266,520	6,222,102
Unpaid Claims	2,506,024	2,451,124
AMT Credits	0	0
Nonadmitted deferred tax assets and other	22,889,672	17,384,113
Total deferred tax assets	50,361,875	46,526,196
Nonadmitted deferred tax assets	(27,916,421)	(23,563,646)
Admitted deferred tax assets	22,445,454	22,962,550
Deferred tax liabilities:		
FAS 115	(2,053,172)	(4,168,202)
Other	(1,714,461)	(1,467,970)
Total deferred tax liabilities	(3,767,633)	(5,636,172)
Net Admitted deferred tax assets	\$18,677,821	\$17,326,378

The change in net deferred income taxes is comprised of the following:

	Mar. 31, 2010	Dec. 31, 2009	Change
Total deferred tax assets	\$50,361,875	\$46,526,196	\$3,835,679
Total deferred tax liabilities	(3,767,633)	(5,636,172)	1,868,539
Net deferred tax asset(liability)	\$46,594,242	\$40,890,024	5,704,218
Tax effect of unrealized gains(losses)			(2,115,031)
Change in net deferred income tax			3,589,187

In accordance with SSAP 10-R the below represents the components of the net DTA and DTL recognized in GHMSI’s financial statement by tax character.

	Capital	Operating	TOTAL
Total of gross deferred tax assets	4,529,662	169,028,063	173,557,725
Less: AMT Credits Valuation Allowance	0	(123,195,850)	(123,195,850)
Adjusted gross deferred assets	4,529,662	45,832,213	50,361,875
Gross deferred tax liabilities	(3,112,229)	(655,404)	(3,767,633)
Net deferred tax asset	1,417,433	45,176,819	46,594,242
Deferred tax asset nonadmitted	0	(27,916,421)	(27,916,421)
Net admitted deferred tax asset	1,417,433	17,260,388	18,677,821

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to income before income taxes. The significant items causing this difference are as follows: principally as a result of 833(b) deduction, mark-up for intercompany services, changes in tax contingency reserves and valuation allowance.

The Company has accumulated Alternative Minimum Tax (AMT) credits that can be used, in certain circumstances, to offset future regular tax.

The Company is included in a consolidated federal income tax return of CareFirst, Inc. The Company has a written agreement, which sets forth the manner in which the total combined federal income tax is allocated to each entity, which is a party to the consolidation. The agreement calls for an allocation based on the Company's pre-tax income after affecting for permanent differences at the alternative minimum tax rates. The federal tax allocation for both 2010 and 2009 was 20 percent of pre-tax income after permanent differences. These amounts are included in provision for income taxes in the accompanying statements of revenue and expenses --statutory basis.

NOTES TO FINANCIAL STATEMENTS

Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future net losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes.

10. Information Concerning Parent, Subsidiaries and Affiliates

Group Hospitalization and Medical Services, Inc. (GHMSI or the Company) is a not-for-profit company that provides a comprehensive array of health insurance and managed care products and services primarily through indemnity health insurance, health maintenance organization coverage and health benefits administration. Other products and services include preferred provider and point-of-service networks, third-party administrator services and other managed care services. These products and services are provided to individuals, businesses and governmental agencies primarily in the Washington, D.C. metropolitan area.

The Company and CareFirst of Maryland, Inc. (CFMI) are both affiliates of a not-for-profit parent company, CareFirst, Inc. (CFI). These affiliates do business as CareFirst BlueCross BlueShield. The Company and CFMI also hold a 40% and 60% interest, respectively, in a health maintenance organization subsidiary, CareFirst BlueChoice, Inc. (CFBC). Since control over CFBC operations is vested in CFI, the Company has determined that neither the Company nor CFMI exercise control over CFBC.

The Boards of CFI, CFMI, and GHMSI have approved earnings redistributions to evenly share changes in the statutory surplus of CFBC. In 2008, the Boards approved in principle the creation of a new holding company, CareFirst Holdings, LLC. (CHC), which would be owned 50%/50% by CFMI and GHMSI, respectively. Following regulatory approval, the establishment of CHC would satisfy the earning redistributions of CFBC.

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Post-retirement Benefit Plans

No change.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) No change.
- (2) – (9) Not applicable
- (10) Change in net unrealized capital gains (losses) for the three months ended March 31, 2010:

Change in the unrealized gain/losses from:	Change
Affiliated Common Stocks:	
Blue Choice (40%)	\$ 7,356,105
NCIA	138,852
NCAS	(26,710)
Unaffiliated Common Stocks	(4,246,517)
Bonds & Preferred Stocks	(2,503,021)
Blue Venture	154,946
Total unrealized gains/loss	873,655
Capital Gains Deferred tax	2,115,030
Change in net unrealized capital gains (losses) less capital gains tax (Page 5 Ln 36)	\$ 2,988,685

- (11)– (13) Not applicable

14. Contingencies

A. Commitments

During 2008, the Company made a commitment to fund \$7,500,000 into the Blue Venture Fund Limited Partnership. The amount of the unfunded commitment was \$5,874,000 at March 31, 2010. The Company anticipates that the additional amount will be invested in the limited partnership over the next four years.

B. – D. None

E. All Other Contingencies

In December 2008, the District of Columbia’s City Council Committee on Public Services and Consumer Affairs (D.C. City Council) passed legislation giving the District of Columbia’s Insurance Commissioner (Commissioner) authority to cap GHMSI’s statutory reserves attributable to the District of Columbia and compel the offering of an expanded open enrollment product in the District of Columbia. Pursuant to this law, a hearing was held in September 2009 by the Commissioner to inquire into the appropriateness of GHMSI’s reserve level. A decision is expected by the Commissioner in the second or third quarter of 2010.

NOTES TO FINANCIAL STATEMENTS

The Company insures individuals who are qualified Medicare beneficiaries. Medicare law identifies the primary payer and secondary payer of claims when individuals are insured by both the Company and Medicare. Principally as a result of information systems programming errors, the Company incorrectly paid certain claims in years prior to 2009 as the secondary payer rather than as the primary payer. The issues were communicated to the Centers for Medicare and Medicaid Services (CMS) in May 2009. The Company has implemented corrective measures to (1) correctly identify Medicare beneficiaries that should be paid primary and (2) modify information systems to correctly adjudicate claims on behalf of Medicare beneficiaries.

Based on its interpretation of Medicare law, the Company believes it is liable for improperly processed claims for the period from January 1, 2006 to December 31, 2008. The Company has provided CMS with the data of the incorrectly paid claims and offered to settle its obligations to CMS for approximately \$19 million. Accordingly, CFI has recorded a liability of \$19,044,000 at December 31, 2009 for this proposed settlement, of which \$9,420,000 has been recorded by the Company. The liability is included in general expenses due or accrued in the accompanying balance sheets. The settlement remains subject to government approval. While there can be no assurances that the settlement will be accepted, or that CMS will accept the Company’s legal interpretation that Medicare law limits its liability in this matter to the Company’s proposed settlement amount, the Company’s management, after consultation with legal counsel, does not believe the final resolution of this matter will result in additional material liabilities to the Company.

15. Leases

No change.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not Applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

- A. Not applicable
- B. The results from operations of uninsured ASC plans and the uninsured portion of partially insured plans were as follows for the three month periods ending March 31, 2010 and 2009 (in thousands):

	March 31, 2010	March 31, 2009
Gross reimbursement for medical costs incurred	\$ 254,673	\$ 257,120
Gross administrative fees accrued	17,592	19,823
Gross expenses incurred	(280,385)	(280,838)
Operating gain or (loss), before stop loss	(8,120)	(3,895)
Stop loss, net	3,531	2,750
Proforma operating gain or (loss)	\$ (4,589)	\$ (1,145)

The stop loss amount reported represents stop loss written for the ASC business shown above. For the three months ending March 31, 2010, GHMSI ceded an ASC underwriting loss of \$1,311,000 to CFMI and assumed an ASC underwriting loss of \$938,000 from CFMI for a net underwriting gain of \$373,000. For the three months ending March 31, 2009, GHMSI ceded an ASC underwriting loss of \$1,911,000 to CFMI and assumed an ASC underwriting loss of \$488,000 from CFMI for a net underwriting gain of \$1,423,000.

- C. Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Other Items

- A. – F. Not applicable
- G. Subprime Related Risk Exposure
  - (1) The Company categorizes mortgage securities with an average FICO score of less than 675 (credit score) as a subprime mortgage security. The Company has no subprime mortgage securities as of March 31, 2010.
  - (2) The Company does not engage in mortgage lending and therefore has no direct exposure through investments in subprime mortgage loans.
  - (3) The Company has no exposure in subprime mortgage lending through its fixed maturity and equity investments.

NOTES TO FINANCIAL STATEMENTS

21. Events Subsequent

Not Applicable.

22. Reinsurance

Effective January 1, 2006, FirstCare, Inc. (FirstCare), a wholly-owned subsidiary of CFS Health Group, Inc. (CFS), which in turn is a wholly-owned subsidiary of CFMI, began serving as a plan sponsor offering Medicare Part D prescription drug insurance coverage under a contract with the Centers for Medicare and Medicaid Services (CMS). The Company and CFMI are operating under a quota-share reinsurance contract with FirstCare, which renews annually unless terminated prior to renewal. The agreement relates to all Medicare Part D insurance policies written by FirstCare for individuals living in the Company’s service areas. Under the terms of the agreement, the Company assumes all underwriting risk on the business written in its service areas. The Company assumed risk premiums in the amount of \$1,627,000 and \$2,297,000, and incurred an underwriting loss in the amount of \$204,000 and \$138,000, for the three months ended March 31, 2010 and 2009, respectively, as a result of the quota-share reinsurance contract with FirstCare.

Certain business has been written by CFMI and GHMSI which represents contracts outside the historic CFMI and GHMSI service areas (cross-jurisdictional sales). In 2006, the Boards of CFI, CFMI and GHMSI approved redistribution of earnings between CFMI and GHMSI related to cross-jurisdictional sales. The income from operations from this cross-jurisdictional business is transferred via a quota share reinsurance contract from the company that earned them to the company in whose service area they were earned. The Company received regulatory approval for these earnings redistributions, effective January 1, 2008. The Company remains obligated for amounts ceded in the event that CFMI does not meet its obligations. As a result of this reinsurance agreement, the following amounts were assumed from and ceded to CFMI (*in thousands*):

	March 31, 2010	March 31, 2009
Premiums assumed	\$ 18,154	\$ 14,617
Premiums ceded	(97,559)	(101,429)
Premiums, net	(79,405)	(86,812)
Cost of care assumed	9,533	13,371
Cost of care ceded	(75,867)	(87,747)
Cost of care, net	(66,334)	(74,376)
General and administrative expenses ceded, net	(12,248)	(15,535)
Net (gain)/loss ceded	\$ (823)	\$ 3,099

Note: The amounts above include risk and non-risk business.

23. Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change.

24. Change in Incurred Claims and Claim Adjustment Expenses

As of March 31, 2010, \$190,693,000 has been paid for incurred claims attributable to insured events for prior years. Reserves remaining for prior years are now \$40,409,000 as a result of re-estimation of unpaid claims and unpaid claims adjustment expenses. Therefore, there has been a \$21,889,000 favorable prior year development since December 31, 2009 to March 31, 2010. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

25. Intercompany Pooling Arrangements

Not applicable.

26. Structured Settlements

Not applicable.

27. Health Care Receivables

No change.

28. Participating Policies

Not applicable.

29. Premium Deficiency Reserve

Not applicable.

NOTES TO FINANCIAL STATEMENTS

30. Salvage and Subrogation

No change.



GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? .....

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state? .....

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? .....

Yes ☐ No ☒
- 2.2

If yes, date of change: .....
3.

Have there been any substantial changes in the organizational chart since the prior quarter end? .....

Yes ☐ No ☒

If yes, complete the Schedule Y - Part 1 - organizational chart.
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? .....

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....	.....	.....
.....	.....	.....
.....	.....	.....

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? .....

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made. ....

12/31/2008
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....

12/31/2008
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....

09/29/2009
- 6.4

By what department or departments?  
District of Columbia Department of Insurance, Securities and Banking.....
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? .....

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with? .....

Yes ☒ No ☐ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? .....

Yes ☐ No ☒
- 7.2

If yes, give full information:  
.....
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?.....

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?.....

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 OTS	6 FDIC	7 SEC
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:  
.....

9.2 Has the code of ethics for senior managers been amended? ..... Yes ☐ No ☒

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).  
.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes ☐ No ☒

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).  
.....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes ☒ No ☐

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: .....\$ .....0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes ☐ No ☒

11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....\$ .....0

13. Amount of real estate and mortgages held in short-term investments: .....\$ .....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes ☒ No ☐

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....	\$ .....
14.22 Preferred Stock .....	\$ .....	\$ .....
14.23 Common Stock .....	\$ .....205,252,996	\$ .....212,721,243
14.24 Short-Term Investments .....	\$ .....	\$ .....
14.25 Mortgage Loans on Real Estate .....	\$ .....	\$ .....
14.26 All Other .....	\$ .....	\$ .....
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$ .....205,252,996	\$ .....212,721,243
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....	\$ .....

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes ☐ No ☒

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes ☐ No ☐

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? .....

Yes [X] No [ ]

16.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SUNTRUST BANK.....	1445 NEW YORK AVE., WASHINGTON DC 20005.....

16.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter? .....

Yes [ ] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
15958.....	VANGUARD.....	P.O. BOX 2900, VALLEY FORGE, PA. 19482-2900.....
104596.....	DODGE AND COX.....	55 CALIFORNIA ST., SAN FRANCISCO CA. 94104.....
107105.....	BLACKROCK INVESTMENT ADVISORS.....	100 BELLEVUE PARKWAY, WASHINGTON DE 19809.....
		1111 WARRENVILLE RD. NAPERVILLE, IL.....
10578.....	CALAMOS INVESTMENTS.....	60563-1493.....

17.1 Have all the filing requirements of the *Purposes and Procedures Manual* of the NAIC Securities Valuation Office been followed? .....

Yes [X] No [ ]

17.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES  
PART 2 - HEALTH

1 Operating Percentages	
1.1 A&H loss percent.....	88.9 %
1.2 A&H cost containment percent .....	0.6 %
1.3 A&H expense percent excluding cost containment expenses.....	10.4 %
2.1 Do you act as a custodian for health savings accounts?.....	Yes [ ] No [X]
2.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$ 0
2.3 Do you act as an administrator for health savings accounts?.....	Yes [ ] No [X]
2.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$ 0

**STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.**

## SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties - Current Year to Date

1 NAIC Company Code	2 Federal ID Number	3 Effective Date	4  Name of Reinsurer	5  Location	6 Type of Reinsurance Ceded	7 Is Insurer Authorized? (Yes or No)
			NONE			

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

Current Year to Date - Allocated by States and Territories										
		1	Direct Business Only							
			2	3	4	5	6	7	8	9
States, Etc.		Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Other Consideration s	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N							0	
2. Alaska	AK	N							0	
3. Arizona	AZ	N							0	
4. Arkansas	AR	N							0	
5. California	CA	N							0	
6. Colorado	CO	N							0	
7. Connecticut	CT	N							0	
8. Delaware	DE	N							0	
9. Dist. of Columbia	DC	L	119,708,061			370,014,919			489,722,980	
10. Florida	FL	N							0	
11. Georgia	GA	N							0	
12. Hawaii	HI	N							0	
13. Idaho	ID	N							0	
14. Illinois	IL	N							0	
15. Indiana	IN	N							0	
16. Iowa	IA	N							0	
17. Kansas	KS	N							0	
18. Kentucky	KY	N							0	
19. Louisiana	LA	N							0	
20. Maine	ME	N							0	
21. Maryland	MD	L	179,296,765						179,296,765	
22. Massachusetts	MA	N							0	
23. Michigan	MI	N							0	
24. Minnesota	MN	N							0	
25. Mississippi	MS	N							0	
26. Missouri	MO	N							0	
27. Montana	MT	N							0	
28. Nebraska	NE	N							0	
29. Nevada	NV	N							0	
30. New Hampshire	NH	N							0	
31. New Jersey	NJ	N							0	
32. New Mexico	NM	N							0	
33. New York	NY	N							0	
34. North Carolina	NC	N							0	
35. North Dakota	ND	N							0	
36. Ohio	OH	N							0	
37. Oklahoma	OK	N							0	
38. Oregon	OR	N							0	
39. Pennsylvania	PA	N							0	
40. Rhode Island	RI	N							0	
41. South Carolina	SC	N							0	
42. South Dakota	SD	N							0	
43. Tennessee	TN	N							0	
44. Texas	TX	N							0	
45. Utah	UT	N							0	
46. Vermont	VT	N							0	
47. Virginia	VA	L	123,272,368						123,272,368	
48. Washington	WA	N							0	
49. West Virginia	WV	N							0	
50. Wisconsin	WI	N							0	
51. Wyoming	WY	N							0	
52. American Samoa	AS	N							0	
53. Guam	GU	N							0	
54. Puerto Rico	PR	N							0	
55. U.S. Virgin Islands	VI	N							0	
56. Northern Mariana Islands	MP	N							0	
57. Canada	CN	N							0	
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX		422,277,194	0	0	370,014,919	0	0	792,292,113	0
60. Reporting entity contributions for Employee Benefit Plans	XXX								0	
61. Total (Direct Business)	(a) 3		422,277,194	0	0	370,014,919	0	0	792,292,113	0
DETAILS OF WRITE-INS										
5801.		XXX							0	
5802.		XXX							0	
5803.		XXX							0	
5898. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0	0	0
5899. Totals (Lines 5801 through 5803 plus 5898) (Line 58 above)		XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.  
(a) Insert the number of L responses except for Canada and other Alien.

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP**  
**PART 1 - ORGANIZATIONAL CHART**

NONE

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

	RESPONSE
1. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	.....YES.....

Explanation:

Bar Code:



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**OVERFLOW PAGE FOR WRITE-INS**

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SCHEDULE A – VERIFICATION

Real Estate

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....		0
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other than temporary impairment recognized .....		0
8. Deduct current year's depreciation .....		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	10,504,432	672,701
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	0	9,263,266
2.2 Additional investment made after acquisition .....	0	1,120,114
3. Capitalized deferred interest and other .....	0	0
4. Accrual of discount .....	0	0
5. Unrealized valuation increase (decrease) .....	154,946	(551,649)
6. Total gain (loss) on disposals .....	0	0
7. Deduct amounts received on disposals .....	437,436	0
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other than temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	10,221,942	10,504,432
12. Deduct total nonadmitted amounts .....	166,667	166,667
13. Statement value at end of current period (Line 11 minus Line 12) .....	10,055,275	10,337,765

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	980,389,475	900,648,870
2. Cost of bonds and stocks acquired .....	377,841,991	1,033,320,092
3. Accrual of discount .....	467,619	3,031,843
4. Unrealized valuation increase (decrease) .....	720,097	41,598,795
5. Total gain (loss) on disposals .....	9,153,612	21,380,750
6. Deduct consideration for bonds and stocks disposed of .....	279,118,329	1,011,402,473
7. Deduct amortization of premium .....	1,102,914	2,531,780
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		5,656,622
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	1,088,351,551	980,389,475
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	1,088,351,551	980,389,475

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. Class 1 (a).....	647,737,101	579,088,378	454,795,184	11,092,604	783,122,899	0	0	647,737,101
2. Class 2 (a).....	129,835,631	31,092,268	12,281,295	(11,977,160)	136,669,444	0	0	129,835,631
3. Class 3 (a).....	9,672,478			(2,918,117)	6,754,361	0	0	9,672,478
4. Class 4 (a).....	277,940			934,941	1,212,881	0	0	277,940
5. Class 5 (a).....	0				0	0	0	0
6. Class 6 (a).....	195			(96)	99	0	0	195
7. Total Bonds	787,523,345	610,180,646	467,076,479	(2,867,828)	927,759,684	0	0	787,523,345
<b>PREFERRED STOCK</b>								
8. Class 1 .....	1,204,750		920,719	(284,031)	0	0	0	1,204,750
9. Class 2 .....	3,000,670			(1,445)	2,999,225	0	0	3,000,670
10. Class 3 .....	420,788			12,338	433,126	0	0	420,788
11. Class 4 .....	0				0	0	0	0
12. Class 5 .....	0				0	0	0	0
13. Class 6 .....	0				0	0	0	0
14. Total Preferred Stock.....	4,626,208	0	920,719	(273,138)	3,432,351	0	0	4,626,208
15. Total Bonds & Preferred Stock	792,149,553	610,180,646	467,997,198	(3,140,966)	931,192,035	0	0	792,149,553

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$ \_\_\_\_\_ ; NAIC 2 \$ \_\_\_\_\_ ;  
NAIC 3 \$ \_\_\_\_\_ ; NAIC 4 \$ \_\_\_\_\_ ; NAIC 5 \$ \_\_\_\_\_ ; NAIC 6 \$ \_\_\_\_\_

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	89,488,840	XXX	89,490,598	17,312	4,691

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	78,403,032	105,823,497
2. Cost of short-term investments acquired .....	232,391,878	309,927,760
3. Accrual of discount .....	572	137
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....	279	(135)
6. Deduct consideration received on disposals .....	221,302,312	337,348,227
7. Deduct amortization of premium.....	4,609	0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	89,488,840	78,403,032
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	89,488,840	78,403,032

Schedule DB - Part A - Verification  
NONE

Schedule DB - Part B - Verification  
NONE

Schedule DB - Part C - Section 1  
NONE

Schedule DB - Part C - Section 2  
NONE

Schedule DB - Verification  
NONE

Schedule E - Verification  
NONE

Schedule A - Part 2  
NONE

Schedule A - Part 3  
NONE

Schedule B - Part 2  
NONE

Schedule B - Part 3  
NONE

FeO<sub>3</sub>

# NONE

[illegible]

Date Originally Acquired	Disposal Date	Carrying Value Less Encumbrances Prior Year	Valuation Increase (Decrease)

1	2	Location		5	6	7	8	Change in Book/Adjusted Carrying Value						15	16	17	18	19	20
		3	4					9	10	11	12	13	14						
CUSIP Identification	Name or Description	City	State	Name of Purchaser or Nature of Disposal	Date Originally Acquired	Disposal Date	Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Unrealized Valuation Increase (Decrease)	Current Year's (Depreciation) or (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Capitalized Deferred Interest and Other	Total Change in B./A.C.V. (9+10-11+12)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value Less Encumbrances on Disposal	Consideration	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Investment Income
Joint Venture Interests - Common Stock - Unaffiliated																			
000000-00-0	BlueCross BlueShield Venture Partners, L.P.	Chicago	Illinois	Return of Capital	08/15/2008	03/09/2010	1,249,081	154,946	0	0	0	154,946	0	0	437,436	0	0	0	0
1599999 - Joint Venture Interests - Common Stocks - Unaffiliated																			
							1,249,081	154,946	0	0	0	154,946	0	0	437,436	0	0	0	0
3999999 – Subtotals Unaffiliated							1,249,081	154,946	0	0	0	154,946	0	0	437,436	0	0	0	0
4099999 – Subtotals Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
4199999 TOTALS							1,249,081	154,946	0	0	0	154,946	0	0	437,436	0	0	0	0

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator <sup>(a)</sup>
Bonds - U.S. Governments									
3128X9-BP-4	FED HOME LN MTG 2.350% 8/27/		02/11/2010	G.X. CLARKE & COMPANY		1,059,629	1,050,000	11,309	1
3137EA-CG-2	FEDERAL HOME LN MTG CORP		01/29/2010	GREENWICH CAPITAL MKTS, I		2,981,610	3,000,000	6,875	1
31398A-C7-5	FEDERAL NATL MTG ASSN		01/15/2010	Barclays Capital		350,508	350,000	158	1
31398A-C8-3	FEDERAL NATL MTG ASSN		02/24/2010	Barclays Capital		1,605,744	1,600,000	3,556	1
31398A-YW-6	FEDERAL NATL MTG ASSN		02/10/2010	G.X. CLARKE & COMPANY		1,521,176	1,500,000	24,938	1
31398A-ZV-7	FEDERAL NATL MTG ASSN		01/29/2010	GOLDMAN, SACHS & CO		3,012,555	3,000,000	15,750	1
912810-FF-0	UNITED STATES TREAS BDS		02/11/2010	CHASE SECURITIES, INC		1,089,883	1,000,000	13,488	1
912810-QC-5	UNITED STATES TREAS BDS		02/04/2010	VARIOUS		416,777	420,000	9,014	1
912810-QD-3	UNITED STATES TREAS BDS		02/23/2010	VARIOUS		35,291,786	37,000,000	443,905	1
912810-QE-1	UNITED STATES TREAS BDS		03/24/2010	VARIOUS		52,198,535	52,900,000	159,384	1
912828-EW-6	UNITED STATES TREAS NTS		02/02/2010	GOLDMAN, SACHS & CO		208,607	190,000	4,043	1
912828-JJ-0	UNITED STATES TREAS NTS		03/23/2010	SALOMON SMITH BARNEY INC/		2,018,835	2,000,000	3,356	1
912828-JY-7	UNITED STATES TREAS NTS		02/01/2010	JEFFERIES & COMPANY		2,413,133	2,400,000	232	1
912828-LY-4	UNITED STATES TREAS NTS		02/10/2010	VARIOUS		10,707,041	10,915,000	79,325	1
912828-ME-7	UNITED STATES TREAS NTS		01/25/2010	SALOMON SMITH BARNEY INC/		141,734	140,000	284	1
912828-MG-2	UNITED STATES TREAS NTS		01/29/2010	GREENWICH CAPITAL MKTS, I		5,003,337	5,000,000	3,419	1
912828-MH-0	UNITED STATES TREAS NTS		02/25/2010	VARIOUS		12,069,878	12,110,000	5,816	1
912828-MN-7	UNITED STATES TREAS NTS		03/09/2010	LINSICO/PRIVATE LEDGER COR		8,000,543	8,000,000	6,989	1
912828-MO-0	UNITED STATES TREAS NTS		03/17/2010	VARIOUS		12,300,801	12,300,000	3,643	1
912828-MR-8	UNITED STATES TREAS NTS		03/17/2010	LPL FINANCIAL CORPORATION		5,002,369	5,000,000	5,808	1
912828-MS-6	UNITED STATES TREAS NTS		03/19/2010	UBS WARBURG		992,777	1,000,000	1,793	1
912828-MT-4	UNITED STATES TREAS NTS		03/17/2010	BOENNING & SCATTERGOOD IN		4,988,281	5,000,000	1,308	1
912810-EC-8	UNITED STATES TREASURY BOND 8.875%		01/25/2010	CHASE SECURITIES, INC		113,319	80,000	3,203	1
912828-MJ-6	US TREAS 0.875% 1/31/		02/12/2010	BOENNING & SCATTERGOOD IN		16,027,500	16,000,000	6,188	1
912828-MK-3	US TREAS 3.125% 1/31/		02/11/2010	GOLDMAN, SACHS & CO		1,696,288	1,700,000	2,348	1
912828-MP-2	US TREAS 3.625% 2/15/		02/12/2010	VARIOUS		472,784	475,000	143	1
0399999 - Total - Bonds - U.S. Government						181,685,430	184,130,000	816,275	XXX
Bonds - All Other Government									
683234-8E-1	ONTARIO PROV CDA		03/17/2010	STIFEL, NICOLAUS & CO., IN		1,512,045	1,500,000	9,609	1FE
1099999 - Total - Bonds - All Other Government						1,512,045	1,500,000	9,609	XXX
Bonds - U.S. States, Territories and Possessions									
13063A-5E-0	CALIFORNIA ST 60		03/26/2010	BARCLAYS CAPITAL LE		619,374	600,000	22,500	1FE
13063A-5G-5	CALIFORNIA ST 60		02/08/2010	VARIOUS		851,978	875,000	21,732	1FE
13063A-7D-0	CALIFORNIA ST GO BDS TAXABLE		02/02/2010	BARCLAYS CAPITAL LE		570,648	600,000	13,383	2FE
1799999 - Totals - Bonds - U.S. States, Territories and Possessions						2,042,000	2,075,000	57,615	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
544646-ZR-6	LOS ANGELES CALIF UNI SCH DIST GO		02/18/2010	MORGAN STANLEY&CO INC PRO		1,200,000	1,200,000		1FE
2499999 - Totals - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						1,200,000	1,200,000	0	XXX
Bonds - U.S. Special Revenue									
3128PP-5V-1	FHLMC PC GOLD 15 YR		01/06/2010	LINSICO/PRIVATE LEDGER COR		8,178,740	7,909,328	17,796	1
3128PQ-RW-3	FHLMC PC GOLD 15 YR		01/06/2010	LINSICO/PRIVATE LEDGER COR		10,762,881	10,405,201	23,412	1
31283H-Z6-5	FHLMC PC GOLD COMB 30		03/04/2010	SALOMON SMITH BARNEY INC/		347,346	325,859	498	1
312936-6H-5	FHLMC PC GOLD COMB 30		01/26/2010	SALOMON SMITH BARNEY INC/		267,641	257,346	357	1
312937-BL-8	FHLMC PC GOLD COMB 30		01/26/2010	SALOMON SMITH BARNEY INC/		93,175	89,591	124	1
31395L-7G-0	FHLMC REMIC SERIES 2923		02/09/2010	CREDIT SUISSE FIRST BOSTO		1,195,312	1,135,351	1,735	1
31395P-LL-4	FHLMC REMIC SERIES 2953		03/11/2010	GREENWICH CAPITAL MKTS, I		1,324,060	1,263,265	2,632	1
31396F-GR-8	FHLMC REMIC SERIES 3073		02/09/2010	MORGAN STANLEY&CO INC PRO		1,610,156	1,500,000	2,292	1
31410G-RV-7	FNMA PASS-THRU INT 15 YEAR		02/01/2010	CHASE SECURITIES, INC		1,889,988	1,762,997	539	1
31417V-4Y-6	FNMA PASS-THRU INT 15 YEAR		03/17/2010	UBS FINANCIAL SERVICES IN		7,875,319	7,522,692	19,747	1
31417Y-JK-4	FNMA PASS-THRU INT 15 YEAR		02/01/2010	CHASE SECURITIES, INC		2,448,297	2,312,612	642	1
31368H-MB-6	FNMA PASS-THRU LNG 30 YEAR		03/03/2010	SALOMON SMITH BARNEY INC/		2,644,529	2,492,266	2,665	1
31402D-JS-0	FNMA PASS-THRU LNG 30 YEAR		03/04/2010	SALOMON SMITH BARNEY INC/		3,894,395	3,670,711	5,608	1
31410K-XE-9	FNMA PASS-THRU LNG 30 YEAR		02/12/2010	UBS PAINE WEBBER INC		17,425,055	16,448,429	42,720	1
31412P-G4-7	FNMA PASS-THRU LNG 30 YEAR		01/25/2010	CHASE SECURITIES, INC		934,959	925,844	3,125	1
314120-NL-9	FNMA PASS-THRU LNG 30 YEAR		02/01/2010	CHASE SECURITIES, INC		7,787,082	7,478,590	2,077	1
31414S-YB-3	FNMA PASS-THRU LNG 30 YEAR		02/01/2010	CHASE SECURITIES, INC		4,907,666	4,621,018	1,412	1
31416B-6L-7	FNMA PASS-THRU LNG 30 YEAR		01/12/2010	CHASE SECURITIES, INC		1,037,579	982,541	1,501	1
31416B-L7-1	FNMA PASS-THRU LNG 30 YEAR		03/22/2010	SALOMON SMITH BARNEY INC/		3,119,443	2,920,057	11,680	1

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator <sup>(a)</sup>
31416B-SP-4	FNMA PASS-THRU LNG 30 YEAR		02/01/2010	CHASE SECURITIES, INC.		4,722,757	4,404,144	1,468	1
31416T-L4-9	FNMA PASS-THRU LNG 30 YEAR		02/01/2010	DEUTSCHE BANK SECURITIES		1,693,609	1,678,138	2,098	1
31417N-BY-6	FNMA PASS-THRU LNG 30 YEAR		01/26/2010	DEUTSCHE BANK SECURITIES		234,225	225,420	313	1
31417T-MA-3	FNMA PASS-THRU LNG 30 YEAR		02/01/2010	CHASE SECURITIES, INC.		5,554,321	5,489,984	1,373	1
31418M-XZ-0	FNMA PASS-THRU LNG 10 7-10YR		01/15/2010	BNP PARIBAS SECURITIES BO		1,475,566	1,385,000	4,848	1
31418M-4T-6	FNMA POOL #AD0833 6.000% 3/01/		03/11/2010	DEUTSCHE BANK SECURITIES		2,699,485	2,540,692	4,234	1
38374B-OP-1	GNMA REMIC TRUST 2003-72		01/05/2010	UBS PAINE WEBBER INC.		3,172,500	3,000,000	2,835	1
592195-AW-1	METROPOLITAN NASHVILLE TENN AR SPL		01/28/2010	MORGAN KEEGAN & COMPANY I		1,000,000	1,000,000		1FE
59259Y-CA-5	METROPOLITAN TRANSN AUTH N Y R REV		03/08/2010	GOLDMAN, SACHS & CO.		398,404	400,000	2,183	1FE
64972F-K8-8	NEW YORK N Y CITY MUN WTR FIN REV		03/08/2010	RAYMOND JAMES & ASSOCIATE		901,674	900,000	5,654	1FE
3199999 - Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Government and Their Political Subdivisions						99,596,164	95,047,087	165,568	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
0B42KP-BT-7	ZURICH FINANCE LU 3.250% 9/30/	F	03/17/2010	STIFEL, NICOLAUS & CO., IN		1,542,165	1,500,000	23,292	2FE
020002-AX-9	ALLSTATE CORP		02/11/2010	WACHOVIA SECURITIES CAPIT		577,055	500,000	9,416	1FE
025816-AZ-2	AMERICAN EXPRESS CO		03/03/2010	BOENNING & SCATTERGOOD IN		1,940,040	1,530,000	58,537	1FE
031162-AQ-3	AMGEN INC.		01/22/2010	GOLDMAN, SACHS & CO.		501,750	500,000	917	1FE
032511-AY-3	ANADARKO PETE CORP		03/12/2010	BARCLAYS CAPITAL INC.		150,187	145,000	52	2FE
032510-AC-3	ANADARKO PETROLEUM CORPORATION		03/09/2010	UBS WARBURG		143,946	145,000		1FE
053332-AC-6	AUTOZONE INC.		03/19/2010	VARIOUS		677,217	625,000	13,937	2FE
060510-AF-4	BANK AMER AUTO TR 2008-1		01/29/2010	CHASE SECURITIES, INC.		1,586,398	1,485,000	3,073	1FE
06051G-DZ-9	BANK AMER FDG CORP		03/18/2010	VARIOUS		1,136,592	985,000	16,135	1FE
06051G-EB-1	BANK AMER FDG CORP		03/08/2010	DEUTSCHE BANK SECURITIES		374,621	375,000		1FE
06739G-AR-0	BARCLAYS BANK PLC	R	01/12/2010	VARIOUS		3,496,775	3,525,000	1,182	1FE
06739F-GP-0	BARCLAYS BANK PLC 2.500% 1/23/	F	02/12/2010	STIFEL, NICOLAUS & CO., IN		2,497,350	2,500,000	14,757	1FE
07384M-YT-3	BEAR STEARNS ARM TR 2003-7		03/24/2010	VARIOUS		1,651,168	1,663,645	6,358	1Z*
081437-AF-2	BEMIS INC.		02/11/2010	JEFFERIES & CO BONDS DIR		279,195	250,000	756	2FE
10138M-AH-8	BOTTLING GROUP LLC 6.950% 3/15/		01/05/2010	STIFEL, NICOLAUS & CO., IN		1,742,205	1,500,000	32,723	1FE
10510K-AA-5	BRAMBLES USA INC.		03/24/2010	CHASE SECURITIES, INC.		299,907	300,000		2FE
136385-AN-1	CANADIAN NAT RES LTD.	F	02/03/2010	STIFEL, NICOLAUS & CO., IN		544,015	500,000	574	2FE
144141-CS-5	CAROLINA PWR & LT 6.500% 7/15/		02/12/2010	LINSCO/PRIVATE LEDGER COR		3,677,056	3,310,000	19,722	1FE
161571-CH-5	CHASE ISSUANCE TRUST 2007-17A		01/29/2010	SALOMON SMITH BARNEY INC/		1,629,492	1,500,000	3,840	1FE
125509-BH-1	CIGNA CORP		02/04/2010	DEUTSCHE BANK SECURITIES		443,502	450,000	6,458	2FE
20030N-AZ-4	COMCAST CORP 5.700% 7/01/		02/11/2010	CHASE SECURITIES, INC.		312,600	300,000	2,185	2FE
20030N-BA-8	COMCAST CORP NEW		02/24/2010	GREENWICH CAPITAL MKTS, I		799,192	800,000		2FE
224044-BV-8	COX COMMUNICATIONS INC NEW		01/29/2010	CREDIT SUISSE FIRST BOSTO		377,208	300,000	10,608	2FE
22546Q-AD-9	CREDIT SUISSE NEW YORK BRANCH	R	02/03/2010	VARIOUS		1,272,689	1,275,000	3,600	1FE
22822R-AR-1	CROWN CASTLE TOWERS LLC		01/08/2010	MORGAN STANLEY&CO INC PRO		100,000	100,000		1FE
225458-RT-7	CSFB COML MTG PTC 2005-C2		03/17/2010	VARIOUS		2,803,016	2,800,000	5,100	1FE
126408-GQ-0	CSX CORP		03/03/2010	CHASE SECURITIES, INC.		44,669	38,000	288	2FE
23311R-AD-8	DCP MIDSTREAM LLC		03/08/2010	GREENWICH CAPITAL MKTS, I		149,838	150,000		2FE
25746U-BH-1	DOMINION RES INC VA NEW		02/11/2010	GOLDMAN, SACHS & CO.		152,382	150,000	43	2FE
260003-AE-8	DOVER CORP		01/07/2010	WALL STREET ACCESS		2,180,180	2,000,000	23,563	1FE
26138E-AK-5	DR PEPPER SNAPPLE GR 1.700% 12/21/		02/12/2010	STIFEL, NICOLAUS & CO., IN		2,005,160	2,000,000	5,383	2FE
26441C-AD-7	DUKE ENERGY CORP NEW		02/03/2010	NOMURA SECURITIES INTL		612,648	600,000	13,467	2FE
29250R-AS-5	ENBRIDGE ENERGY PARTNERS L P		02/25/2010	VARIOUS		151,487	150,000		2FE
26884A-AX-1	ERP OPER LTD PARTNERSHIP		01/11/2010	CREDIT SUISSE FIRST BOSTO		20,530	20,000	572	2FE
32051G-BD-6	FIRST HORIZON MTG TR 2004-AR6		03/24/2010	VARIOUS		1,161,713	1,216,453	2,845	1Z*
302570-BA-3	FPL GROUP CAPTL 5.350% 6/15/		02/12/2010	WALL STREET ACCESS		2,351,173	2,170,000	20,317	1FE
38141E-A2-5	GOLDMAN SACHS GRP INC MTN BE		02/11/2010	NOMURA SECURITIES INTL		565,770	500,000	208	1FE
38141E-A5-8	GOLDMAN SACHS GRP INC MTN BE		03/01/2010	GOLDMAN, SACHS & CO.		421,171	425,000		1FE
416515-AZ-7	HARTFORD FINL SVCS GROUP INC		03/18/2010	GOLDMAN, SACHS & CO.		374,081	375,000		2FE
42217K-AR-7	HEALTH CARE REIT INC		03/10/2010	UBS WARBURG		3,200,000	3,200,000		2FE
438516-AV-8	HONEYWELL INTL INC		01/05/2010	WALL STREET ACCESS		1,101,070	1,000,000	24,531	1FE
45687A-AA-0	INGERSOLL-RAND GLOBAL HLDG CO		02/23/2010	VARIOUS		565,450	500,000	8,785	2FE
458140-AF-7	INTEL CORP		03/01/2010	VARIOUS		3,018,217	2,700,000	5,010	1FE
459902-AQ-5	INTERNATIONAL GAME TECHNOLOGY		03/08/2010	VARIOUS		1,160,663	950,000	8,712	2FE
46185R-AK-6	INVITROGEN CORP		03/09/2010	VARIOUS		2,303,442	1,975,000	1,722	2FE
472319-AF-9	JEFFERIES GROUP INC NEW		01/11/2010	JEFFERIES & CO BONDS DIR		22,522	20,000	916	1FE
48121C-JN-7	JP MORGAN CHASE 5.875% 6/13/		01/07/2010	MIZUHO SECURITIES USA INC		3,213,150	3,000,000	14,198	1FE
46625H-HL-7	JPMORGAN CHASE & CO		02/17/2010	VARIOUS		1,766,812	1,600,000	30,380	1FE
46625H-HQ-6	JPMORGAN CHASE & CO		03/18/2010	CHASE SECURITIES, INC.		499,805	500,000		1FE



STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator <sup>(a)</sup>
494550-AK-2	KINDER MORGAN EN 7.125% 3/15/		02/05/2010	Suntrust Capital		386,050	350,000	10,044	2FE
50075N-AV-6	KRAFT FOODS INC.		01/11/2010	CREDIT SUISSE FIRST BOSTO		74,773	70,000	1,679	2FE
50075N-BA-1	KRAFT FOODS INC.		02/11/2010	VARIOUS		1,589,410	1,600,000	202	2FE
50540R-AG-7	LABORATORY CORP AMER HLDGS 0%		02/23/2010	VARIOUS		2,271,068	2,300,000		2FE
53947M-AB-2	LLOYDS TSB BANK PLC	R	01/05/2010	CREDIT SUISSE FIRST BOSTO		299,301	300,000		1FE
577081-AS-1	MATTEL INC 5.625% 3/15/		02/12/2010	STIFEL, NICOLAUS & CO., IN		1,087,710	1,000,000	23,906	2FE
58013M-DU-5	MCDONALDS CORP 4.125% 6/01/		02/12/2010	STIFEL, NICOLAUS & CO., IN		1,668,170	1,560,000	13,764	1FE
585055-AH-9	MEDTRONIC INC.		01/05/2010	WALL STREET ACCESS		1,091,860	1,000,000	14,910	1FE
585055-AM-8	MEDTRONIC INC.		01/26/2010	VARIOUS		2,487,646	2,375,000	10,544	1FE
59156R-AT-5	METLIFE INC.		02/23/2010	VARIOUS		1,049,395	890,000	18,854	1FE
59562V-AT-4	MIDAMERICAN ENERGY HLDGS NEW		01/29/2010	CREDIT SUISSE FIRST BOSTO		292,182	275,000	5,359	2FE
617446-V7-1	MORGAN STANLEY		03/18/2010	MORGAN STANLEY&CO INC PRO		238,120	225,000	977	1FE
61747Y-CM-5	MORGAN STANLEY		03/18/2010	VARIOUS		744,990	750,000	1,948	1FE
617446-V8-9	MORGAN STANLEY 5.750% 8/31/		02/12/2010	WALL STREET ACCESS		3,889,764	3,600,000	96,600	1FE
61745M-G6-3	MORGAN STANLEY CAP 2005-HQ6		02/05/2010	NOMURA SECURITIES INTL		1,016,406	1,000,000	1,247	1FE
61980A-AC-7	MOTIVA ENTERPRISES LLC		01/07/2010	VARIOUS		133,570	130,000	21	1FE
6325C0-BE-0	NATIONAL AUSTRALIA BK LTD GLBL	F	02/23/2010	DEUTSCHE BANK SECURITIES		324,942	325,000		1FE
652482-BL-3	NEWS AMER INC.		02/17/2010	WACHOVIA SECURITIES CAPIT		304,344	300,000	3,573	2FE
652482-BY-5	NEWS AMER INC SR NT 6.9%39		01/29/2010	WACHOVIA SECURITIES CAPIT		278,628	250,000	7,571	2FE
65334H-AC-6	NEXEN INC 5.050% 11/20/		02/05/2010	LIBERTAS PARTNERS LLC		377,377	350,000	3,928	2FE
66989H-AC-2	NOVARTIS CAPITAL CORP		03/09/2010	CHASE SECURITIES, INC.		348,327	350,000		1FE
670346-AE-5	NUCOR CORP		01/05/2010	STIFEL, NICOLAUS & CO., IN		1,579,472	1,460,000	19,178	1FE
674599-BW-4	OCCIDENTAL PETROLEUM 7.000% 11/01/		02/26/2010	CHASE SECURITIES, INC.		32,824	28,000	664	1FE
695156-AM-1	PACKAGING CORP AMER 5.750% 8/01/		02/08/2010	Suntrust Capital		379,348	350,000	559	2FE
713448-BN-7	PEPSICO INC 4.500% 1/15/		03/18/2010	BNP PARIBAS SECURITIES BO		256,188	250,000	2,156	1FE
743410-AW-2	PROLOGIS		03/09/2010	SALOMON SMITH BARNEY INC/		199,530	200,000		2FE
760759-AG-5	REPUBLIC SVCS INC.		03/01/2010	CHASE SECURITIES, INC.		399,940	400,000		2FE
775109-AK-7	ROGERS COMMUNICATION 6.800% 8/15/		02/11/2010	WALL STREET ACCESS		281,075	250,000	94	2FE
842400-FP-3	SOUTHERN CALIF EDISON CO		03/08/2010	CHASE SECURITIES, INC.		296,391	300,000		1FE
845437-BL-5	SOUTHWESTERN ELEC PWR CO		03/03/2010	CHASE SECURITIES, INC.		274,885	275,000		2FE
867914-AZ-6	SUNTRUST BKS INC.		01/11/2010	CREDIT SUISSE FIRST BOSTO		30,338	30,000	615	1FE
87236Y-AA-6	TD AMERITRADE HLDG CORP		01/06/2010	LINSCO/PRIVATE LEDGER COR		1,507,560	1,500,000	10,733	1FE
87875U-AK-8	TECO FIN INC.		03/04/2010	CHASE SECURITIES, INC.		134,395	135,000		2FE
88732J-AV-0	TIME WARNER CABLE IN 3.500% 2/01/		02/11/2010	GOLDMAN, SACHS & CO.		249,933	250,000	1,604	2FE
88732J-AP-3	TIME WARNER CABLE INC.		01/11/2010	SALOMON SMITH BARNEY INC/		587,485	475,000	17,318	2FE
88732J-AW-8	TIME WARNER CABLE INC.		01/29/2010	JEFFERIES & CO BONDS DIR		733,658	750,000	5,417	2FE
887317-AC-9	TIME WARNER INC.		01/29/2010	RBC CAPITAL MARKETS CORP		548,025	500,000	6,365	2FE
887317-AF-2	TIME WARNER INC.		03/03/2010	SALOMON SMITH BARNEY INC/		174,423	175,000		2FE
902118-BL-1	TYCO INTL GROUP S A		01/29/2010	FIRST TENN SECURITIES COR		626,250	500,000	2,125	2FE
913017-BR-9	UNITED TECHNOLOGIES CORP		02/23/2010	SALOMON SMITH BARNEY INC/		273,628	275,000		1FE
91913Y-AL-4	VALERO ENERGY CORP NEW		02/12/2010	VARIOUS		368,503	390,000	3,568	2FE
92857W-AS-9	VODAFONE GROUP PLC NEW		01/29/2010	GOLDMAN, SACHS & CO.		521,125	500,000	4,012	1FE
94973V-AR-8	WELLPOINT INC.		03/15/2010	CANTOR FITZGERALD & CO		451,090	395,000		2FE
9612EM-AH-2	WESTPAC BK CORP 2.900% 9/10/		02/01/2010	BTIG LLC		1,612,336	1,600,000	18,560	1FE
96950F-AC-8	WILLIAMS PARTNERS LP 5.250% 3/15/		02/02/2010	SALOMON SMITH BARNEY INC/		199,890	200,000		2FE
98385X-AD-8	XTO ENERGY INC.		01/05/2010	MIZUHO SECURITIES USA INC		1,077,760	1,000,000	21,369	2FE
15135U-AC-3	CENOVUS ENERGY INC	I	01/29/2010	JEFFERIES & CO BONDS DIR		263,880	250,000	5,344	2FE
15135U-AA-7	CENOVUS ENERGY INC SR NT 144A 14	I	02/11/2010	LIBERTAS PARTNERS LLC		339,947	325,000	6,053	2FE
02364W-AS-4	AMERICA MOVIL SAB DE CV	R	03/23/2010	CHASE SECURITIES, INC.		397,424	400,000		1FE
136385-AK-7	CANADIAN NAT RES LTD	I	03/04/2010	CHASE SECURITIES, INC.		404,528	375,000	6,769	2FE
3899999 - Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)						91,753,138	86,641,099	744,327	XXX
8399997 - Subtotals- Bonds - Part 3						377,788,777	370,593,186	1,793,394	XXX
8399999 - Subtotals - Bonds						377,788,777	370,593,186	1,793,394	XXX
Common Stocks - Mutual Funds									
922908-88-4	VANGUARD INDEX FDS		03/23/2010	JONES TRADING INSTITUTAL	57.905	2,067			I
922040-10-0	VANGUARD INSTITUTIONAL INDEX FUND		03/30/2010	Vanguard Group	352.955	37,890			U
921909-82-6	VANGUARD STAR FD DVMK IDX INSTL		01/22/2010	Vanguard Group	1,406.799	13,266			I
9299999 - Total - Common Stocks - Mutual Funds						53,223	XXX	0	XXX

**STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.**

## SCHEDULE D - PART 3

**Show All Long-Term Bonds and Stock Acquired During the Current Quarter**

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(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues ..... 1

### E04.3

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
3137EA-CA-5...	FEDERAL HOME LN MTG CORP.		01/06/2010	VARIOUS		7,860,640	8,000,000	7,890,958	7,891,186		136		136		7,891,322		(30,682)	(30,682)	83,333	03/27/2019	1
3133XU-MS-9...	FEDERAL HOME LOAN BANKS		03/17/2010	BOENNING & SCATTERGOOD IN		10,336,328	10,000,000	10,312,000	10,307,151	(5,503)			(5,503)		10,301,647		34,681	34,681	270,000	09/13/2019	1
31398A-ZV-7...	FEDERAL NATL MTG ASSN.		01/06/2010	BOENNING & SCATTERGOOD IN		3,972,969	4,000,000	3,992,766	3,992,797	19			19		3,992,816		(19,847)	(19,847)	13,708	11/20/2014	1
31359M-GT-4...	FNMA 6.25%		01/14/2010	MAN SECURITIES INC / FIX		369,688	350,000	366,240	357,735	(254)			(254)		357,481		12,207	12,207	9,965	02/01/2011	1
36225E-BM-3...	GNMA PASS-THRU M ADJ HYBRID		03/20/2010	PRINCIPAL RECEIPT		30,832	30,831	29,762	29,787		1,044		1,044		30,832				208	02/20/2037	1
36202E-E9-6...	GNMA PASS-THRU M SINGLE FAMILY		03/20/2010	PRINCIPAL RECEIPT		1,015	1,014	1,033	1,033	(18)			(18)		1,015				8	09/20/2035	1
36202E-QZ-5...	GNMA PASS-THRU M SINGLE FAMILY		03/20/2010	PRINCIPAL RECEIPT		47,159	47,158	46,982	46,983	176			176		47,159				325	01/20/2038	1
36295N-A6-4...	GNMA PASS-THRU X SINGLE FAMILY		03/15/2010	PRINCIPAL RECEIPT		55,611	55,610	55,889	55,888	(277)			(277)		55,611				523	02/15/2038	1
36225A-4V-9...	GNMA POOL #780836		03/15/2010	PRINCIPAL RECEIPT		5,609	5,609	5,959	5,846	(237)			(237)		5,609				69	04/15/2020	1
83162C-EV-1...	8.25% 4/15/ SMALL BUS ADMIN GTD DEV		03/01/2010	PRINCIPAL RECEIPT		27,125	27,125	28,888	27,877	(752)			(752)		27,125				800	09/01/2013	1
83162C-LT-8...	93-201 SMALL BUS ADMIN GTD DEV PTC		03/01/2010	Merrill Lynch		65,909	65,908	70,357	65,909						65,909				2,069	09/01/2021	1
912803-BP-7...	U S TREAS BD STRIPPED ZERO COUPON		01/12/2010	HSBC SECURITIES, INC		7,598	20,000	7,598	8,304	12			12		8,316		(718)	(718)	567	08/15/2028	1
912810-FE-3...	UNITED STATES TREAS BDS		03/18/2010	VARIOUS		1,026,300	910,000	1,055,031	1,052,465	(664)			(664)		1,051,800		(25,501)	(25,501)	25,895	08/15/2028	1
912810-OC-5...	UNITED STATES TREAS BDS		03/08/2010	VARIOUS		730,527	750,000	765,037	764,180	(9)			(9)		764,948		(34,420)	(34,420)	16,873	08/15/2039	1
912810-QD-3...	UNITED STATES TREAS BDS		03/08/2010	VARIOUS		34,928,464	36,600,000	34,898,005	34,898,005	174			174		34,898,179		30,285	30,285	450,037	11/15/2039	1
912810-QE-1...	UNITED STATES TREAS BDS		03/25/2010	VARIOUS		51,315,469	52,000,000	51,290,234	51,290,234	110			110		51,290,344		25,124	25,124	155,359	02/15/2040	1
912828-EW-6...	UNITED STATES TREAS NTS		03/18/2010	CREDIT SUISSE FIRST BOSTO		27,402	25,000	27,448	(45)				(45)		27,403		(1)	(1)	674	02/15/2016	1
912828-JR-2...	UNITED STATES TREAS NTS		03/18/2010	VARIOUS		1,004,464	985,000	1,078,979	1,071,018	(1,629)			(1,629)		1,069,392		(64,928)	(64,928)	12,235	11/15/2018	1
912828-JY-7...	UNITED STATES TREAS NTS		02/08/2010	VARIOUS		1,407,278	1,400,000	1,405,305	1,404,176	(315)			(315)		1,403,861		3,417	3,417	6,237	01/31/2011	1
912828-LM-0...	UNITED STATES TREAS NTS		01/26/2010	BOENNING & SCATTERGOOD IN		10,042,188	10,000,000	10,010,938	10,010,024	(252)			(252)		10,009,772		32,415	32,415	50,898	09/15/2012	1
912828-LY-4...	UNITED STATES TREAS NTS		02/26/2010	VARIOUS		10,900,235	11,165,000	10,948,351	10,948,351	434			434		10,948,789		(48,554)	(48,554)	87,215	11/15/2019	1
912828-LZ-1...	UNITED STATES TREAS NTS		02/23/2010	CREDIT SUISSE FIRST BOSTO		24,840	25,000	24,990	24,990						24,991		(151)	(151)	128	11/30/2014	1
912828-MA-5...	UNITED STATES TREAS NTS		03/18/2010	VARIOUS		484,142	495,000	487,385	487,385	173			173		487,633		(3,491)	(3,491)	3,763	11/30/2016	1
912828-MG-2...	UNITED STATES TREAS NTS		03/19/2010	GOLDMAN, SACHS & CO		4,989,436	5,000,000	5,003,337	(149)				(149)		5,003,188		(13,751)	(13,751)	12,535	01/15/2013	1
912828-MH-0...	UNITED STATES TREAS NTS		03/18/2010	VARIOUS		8,209,280	8,240,000	8,211,381	8,211,381	335			335		8,211,716		(2,436)	(2,436)	12,891	01/31/2015	1
912828-MO-0...	UNITED STATES TREAS NTS		03/15/2010	CREDIT SUISSE FIRST BOSTO		299,530	300,000	300,422	(8)				(8)		300,414		(884)	(884)	114	02/29/2012	1
912828-MS-6...	UNITED STATES TREAS NTS		03/23/2010	CREDIT SUISSE FIRST BOSTO		297,889	300,000	297,833	3				3		297,836		53	53	636	02/28/2017	1
912810-EC-8...	UNITED STATES TREASURY BOND 8.875%		03/01/2010	CHASE SECURITIES, INC		113,347	80,000	113,319		(301)			(301)		113,018		329	329	3,883	02/15/2019	1
83162C-KM-4...	US SMALL BUS ADMIN GTD DB00-20A		01/01/2010	PRINCIPAL RECEIPT		22,785	22,784	22,785	22,785						22,785				882	01/01/2020	1
912828-MK-3...	US TREAS 3.125% 1/31/		03/17/2010	VARIOUS		1,708,140	1,700,000	1,696,288		34			34		1,696,322		11,818	11,818	5,770	01/31/2017	1
912828-MP-2...	US TREAS 3.625% 2/15/		02/22/2010	CHASE SECURITIES, INC		471,163	475,000	472,784		1			1		472,786		(1,623)	(1,623)	355	02/15/2020	1
0399999 - Totals - Bonds - U.S. Governments						150,783,362	153,076,043	150,918,284	37,520,262	0	(7,758)	0	(7,758)	0	150,880,019	0	(96,658)	(96,658)	1,227,955	XXX	XXX
Bonds - U.S. States, Territories and Possessions																					
13062T-H6-4...	CALIFORNIA ST GO		01/13/2010	CHASE SECURITIES, INC		86,783	100,000	92,650	92,706	7			7		92,713		(5,930)	(5,930)	2,100	08/01/2030	2FE
59333F-FA-3...	MIAMI-DADE CNTY FLA GO BDS		01/05/2010	MERRILL LYNCH,PIERCE,FENN		71,138	70,000	72,062	72,051	(1)			(1)		72,051		(912)	(912)	1,818	07/01/2033	1FE
64966E-CJ-4...	NEW YORK N Y GO		01/06/2010	CITIGROUP GLOBAL MARKET I		30,929	30,000	31,418	31,355	(3)			(3)		31,352		(423)	(423)	542	03/01/2030	1FE
1799999 - Totals - Bonds - U.S. States, Territories and Possessions						188,850	200,000	196,130	196,112	0	3	0	3	0	196,116	0	(7,265)	(7,265)	4,460	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
05914F-DZ-0...	BALTIMORE CNTY MD PUB		03/17/2010	MORGAN KEEGAN & COMPANY I		1,011,000	1,000,000	1,019,150	1,018,999	(287)			(287)		1,018,712		(7,712)	(7,712)	18,150	11/01/2022	1FE
05914F-EA-4...	BALTIMORE CNTY MD PUB TYLER TEX INDPST SCH DIST		03/17/2010	MORGAN KEEGAN & COMPANY I		2,512,500	2,500,000	2,525,975	2,525,791	(375)			(375)		2,525,417		(12,917)	(12,917)	45,833	11/01/2023	1FE
902273-SS-1...	GO		01/07/2010	MORGAN STANLEY&CO INC PRO		31,213	30,000	31,875	31,824	(3)			(3)		31,821		(608)	(608)	1,375	02/15/2034	1FE
2499999 - Totals - Bonds - Political Subdivisions of States, Territories and Possessions						3,554,713	3,530,000	3,577,000	3,576,614	0	(665)	0	(665)	0	3,575,950	0	(21,237)	(21,237)	65,358	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
31403D-DB-2...	FEDERAL NATL MTG AS 6.000% 6/01/		03/25/2010	PRINCIPAL RECEIPT		35,392	35,392	35,738	35,712		(320)		(320)		35,392				347	06/01/2035	1
3128KC-QJ-9...	FHLNC GOLD #A50457		03/15/2010	PRINCIPAL RECEIPT		27,216	27,215	26,667	26,678		537		537		27,216				306	07/01/2036	1
31292H-GP-3...	FHLNC GOLD POOL #C01106		03/15/2010	PRINCIPAL RECEIPT		1,503	1,502	1,521	1,520	(17)			(17)		1,503				22	12/01/2030	1

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31283K-F7-8...	FHLMC GOLD POOL #611090-1YR		03/15/2010...	PRINCIPAL RECEIPT		23,432	23,431	24,292	23,811		(379)		(379)		23,432			.0	.216	02/01/2015...	1
3128JN-BB-2...	FHLMC PC LIBOR YR		03/15/2010...	PRINCIPAL RECEIPT		97,464	97,463	94,875	94,906		2,558		2,558		97,464			.0	.523	08/01/2034...	1
3128MT-6K-9...	FHLMC PC GOLD		03/15/2010...	PRINCIPAL RECEIPT		242,392	242,392	245,536	245,478		(3,085)		(3,085)		242,392			.0	3,468	09/01/2037...	1
3128UN-CE-0...	FHLMC PC GOLD		03/15/2010...	PRINCIPAL RECEIPT		323,560	323,560	328,262	328,219		(4,659)		(4,659)		323,560			.0	4,753	09/01/2037...	1
3128PP-5V-1...	FHLMC PC GOLD 15 YR		03/15/2010...	PRINCIPAL RECEIPT		219,545	219,545	227,024			(7,478)		(7,478)		219,545			.0	1,017	09/01/2024...	1
3128PQ-RW-3...	FHLMC PC GOLD 15 YR		03/15/2010...	PRINCIPAL RECEIPT		102,433	102,432	105,954			(3,521)		(3,521)		102,433			.0	.570	12/01/2024...	1
31294L-PZ-0...	FHLMC PC CASH 15		03/15/2010...	PRINCIPAL RECEIPT		166,689	166,688	169,475	168,843		(2,155)		(2,155)		166,689			.0	1,200	12/01/2016...	1
31288B-6V-0...	FHLMC PC CASH 30		03/15/2010...	PRINCIPAL RECEIPT		199,598	199,597	202,405	202,308		(2,710)		(2,710)		199,598			.0	2,930	11/01/2032...	1
3128MB-EG-8...	FHLMC PC COMB 15		03/15/2010...	PRINCIPAL RECEIPT		141,938	141,938	142,487	142,402		(464)		(464)		141,938			.0	1,383	03/01/2022...	1
3128MM-AG-8...	FHLMC PC COMB 15		03/15/2010...	PRINCIPAL RECEIPT		118,969	118,969	127,948	127,987		(9,017)		(9,017)		118,969			.0	1,166	08/01/2019...	1
312964-TT-6...	FHLMC PC COMB 15		03/15/2010...	PRINCIPAL RECEIPT		60,261	60,260	60,524	60,449		(189)		(189)		60,261			.0	.769	02/01/2019...	1
31283H-6C-4...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		197,467	197,466	201,262	201,169		(3,702)		(3,702)		197,467			.0	2,516	12/01/2032...	1
31283H-6D-2...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		84,075	84,075	85,947	85,876		(1,801)		(1,801)		84,075			.0	1,047	12/01/2031...	1
3128KT-L3-2...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		31,053	31,053	31,398	31,395		(342)		(342)		31,053			.0	.390	07/01/2037...	1
3128M5-HJ-2...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		52,874	52,873	53,386	53,381		(508)		(508)		52,874			.0	.619	06/01/2036...	1
3128M6-EF-1...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		26,783	26,782	25,412	25,429		1,354		1,354		26,783			.0	.230	04/01/2038...	1
3128M6-SG-4...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		1,293,976	1,293,976	1,361,506	1,363,038		(69,062)		(69,062)		1,293,976			.0	14,404	01/01/2038...	1
3128MJ-CJ-7...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		37,440	37,439	38,709	38,723		(1,283)		(1,283)		37,440			.0	.362	08/01/2035...	1
312929-CN-0...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		15,126	15,126	14,755	14,754		372		372		15,126			.0	.135	11/01/2038...	1
312934-3B-6...	FHLMC PC COMB 30		03/15/2010...	VARIOUS		2,139,991	2,064,399	2,147,620	2,148,606		(5,707)		(5,707)		2,142,899		(2,907)	(2,907)	16,586	08/01/2039...	1
312935-6C-7...	FHLMC PC COMB 30		01/25/2010...	VARIOUS		184,904	183,417	184,822	184,834		(26)		(26)		184,808		96	96	1,305	08/01/2039...	1
312935-6D-5...	FHLMC PC COMB 30		01/25/2010...	VARIOUS		89,966	89,242	89,926	89,931		(12)		(12)		89,919		47	47	.635	09/01/2039...	1
312935-JA-8...	FHLMC PC COMB 30		01/25/2010...	VARIOUS		247,948	245,970	247,854	247,870		(50)		(50)		247,820		128	128	1,744	09/01/2039...	1
312936-6H-5...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		1,069	1,069	1,112			(43)		(43)		1,069			.0	.4	11/01/2039...	1
312937-BL-8...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		350	349	364			(14)		(14)		350			.0	.1	11/01/2039...	1
312938-BW-2...	FHLMC PC COMB 30		01/26/2010...	VARIOUS		8,583,372	8,494,568	8,598,096	8,598,926		(1,719)		(1,719)		8,597,207		(13,834)	(13,834)	61,544	12/01/2039...	1
312938-PE-7...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		2,838	2,837	2,881	2,882		(44)		(44)		2,838			.0	.25	12/01/2039...	1
31297H-FF-1...	FHLMC PC COMB 30		03/15/2010...	PRINCIPAL RECEIPT		229,564	229,564	232,398	232,381		(2,817)		(2,817)		229,564			.0	2,433	12/01/2034...	1
31349S-C9-2...	FHLMC PC 30YR		03/15/2010...	PRINCIPAL RECEIPT		89,019	89,018	86,122	86,136		2,882		2,882		89,019			.0	.445	10/01/2033...	1
3128NC-LA-0...	FHLMC PC ARM 11 HYBRD		03/15/2010...	PRINCIPAL RECEIPT		67,461	67,461	66,463	66,471		990		990		67,461			.0	.525	09/01/2035...	1
3128NH-VA-8...	FHLMC PC ARM		03/15/2010...	PRINCIPAL RECEIPT		302,616	302,615	309,566	309,670		(7,055)		(7,055)		302,616			.0	3,730	11/01/2036...	1
31290K-VZ-9...	FHLMC POOL #555132		03/15/2010...	PRINCIPAL RECEIPT		1,444	1,444	1,473	1,468		(24)		(24)		1,444			.0	.14	07/01/2020...	1
313376-S8-6...	FHLMC REMIC 1832 F 6.5%		03/15/2010...	PRINCIPAL RECEIPT		68,104	68,103	67,218	68,473		(369)		(369)		68,104			.0	.722	03/15/2011...	1
31395L-7G-0...	FHLMC REMIC SERIES 2923		03/15/2010...	PRINCIPAL RECEIPT		45,639	45,638	48,049			(2,410)		(2,410)		45,639			.0	.190	10/15/2032...	1
31397P-5M-8...	FHLMC REMIC SERIES 3389		03/15/2010...	PRINCIPAL RECEIPT		1,228,080	1,228,079	1,240,361	1,238,716		(10,636)		(10,636)		1,228,080			.0	16,442	12/15/2035...	1
31392W-7B-0...	FHLMC REMIC SERIES 1-051		03/25/2010...	PRINCIPAL RECEIPT		9,330	9,330	9,470	10,733		(1,403)		(1,403)		9,330			.0	.80	09/25/2043...	1
31392W-EM-0...	FHLMC REMIC SERIES T0041		03/25/2010...	PRINCIPAL RECEIPT		6,758	6,757	7,020	6,752		.6		.6		6,758			.0	.72	07/25/2032...	1

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SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31359S-R6-9...	FNMA GR TR SERIES 2001-T4 C1 A		03/25/2010...	PRINCIPAL RECEIPT.....		12,248	12,248	12,635	12,334		(85)		(85)		12,248			0	140	07/25/2028...	1
31392F-DC-8...	FNMA GRANTOR TRUST 2002-T16		03/25/2010...	PRINCIPAL RECEIPT.....		56,008	56,008	57,408	57,340		(1,332)		(1,332)		56,008			0	505	07/25/2042...	1
31409U-WM-3...	FNMA PASS-THRU ADJ LIBOR		03/25/2010...	PRINCIPAL RECEIPT.....		45,664	45,663	46,053	46,051		(388)		(388)		45,664			0	370	11/01/2035...	1
31411N-P5-0...	FNMA PASS-THRU ADJ LIBOR		03/25/2010...	PRINCIPAL RECEIPT.....		20,069	20,068	20,031	20,030		38		38		20,069			0	205	02/01/2037...	1
31381D-YY-5...	FNMA PASS-THRU GNM-BK MGA 30		03/25/2010...	PRINCIPAL RECEIPT.....		1,396	1,396	1,414	1,411		(15)		(15)		1,396			0	17	05/20/2023...	1
31405F-D5-8...	FNMA PASS-THRU GOV SINGLE FAM		03/25/2010...	PRINCIPAL RECEIPT.....		754	753	794	793		(40)		(40)		754			0	9	10/01/2032...	1
31385W-ST-2...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		127,536	127,535	129,867	129,347		(1,811)		(1,811)		127,536			0	1,178	12/01/2017...	1
31391C-5F-8...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		9,016	9,016	9,000	8,997		19		19		9,016			0	75	09/01/2017...	1
31391U-4Q-5...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		528	528	527	527		1		1		528			0	6	02/01/2018...	1
31402C-RT-1...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		226,514	226,514	227,930	227,557		(1,042)		(1,042)		226,514			0	1,994	12/01/2018...	1
31402R-D2-2...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		7,857	7,857	7,838	7,836		21		21		7,857			0	70	03/01/2020...	1
31403C-ZZ-3...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		5,050	5,049	5,033	5,032		17		17		5,050			0	44	06/01/2020...	1
31403D-DK-2...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		201,386	201,386	205,036	204,534		(3,148)		(3,148)		201,386			0	1,955	03/01/2021...	1
31403R-KJ-6...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		1,067	1,066	1,064	1,064		3		3		1,067			0	11	11/01/2018...	1
31410G-5Q-2...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		21,969	21,969	22,675	22,653		(684)		(684)		21,969			0	173	03/01/2023...	1
31410G-RV-7...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		37,800	37,799	40,523			(2,723)		(2,723)		37,800			0	173	10/01/2021...	1
31411A-JN-6...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		337,705	337,704	343,087	342,625		(4,920)		(4,920)		337,705			0	3,610	11/01/2021...	1
31413J-CZ-5...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		37,955	37,954	39,360	39,344		(1,389)		(1,389)		37,955			0	436	09/01/2022...	1
31414K-TE-0...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		41,125	41,125	41,030	41,030		95		95		41,125			0	277	01/01/2023...	1
31414U-AQ-1...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		2,566	2,566	2,560	2,560		6		6		2,566			0	22	06/01/2023...	1
31414X-ZC-9...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		22,461	22,461	21,886	21,906		555		555		22,461			0	180	06/01/2023...	1
31415P-WM-6...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		9,993	9,992	9,955	9,955		37		37		9,993			0	74	07/01/2023...	1
31416B-QK-7...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		12,715	12,714	12,921	12,910		(196)		(196)		12,715			0	91	12/01/2020...	1
31417Q-5Q-3...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		161,525	161,524	167,733	167,846		(6,322)		(6,322)		161,525			0	1,255	11/01/2024...	1
31417Y-JK-4...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		65,138	65,138	68,960			(3,822)		(3,822)		65,138			0	271	11/01/2024...	1
31368H-LZ-4...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		238,297	238,297	251,702	251,929		(13,631)		(13,631)		238,297			0	2,273	12/01/2033...	1
31371K-ZZ-3...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		19,370	19,370	19,285	19,285		85		85		19,370			0	171	03/01/2033...	1
31371N-H4-0...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		222,737	222,737	233,404	233,374		(10,636)		(10,636)		222,737			0	2,606	08/01/2037...	1
31376K-TT-3...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		25,446	25,446	25,435	25,435		11		11		25,446			0	205	09/01/2035...	1
31385X-EC-7...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		172,768	172,767	184,348	184,332		(11,564)		(11,564)		172,768			0	1,516	06/01/2033...	1
31402C-Y3-0...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		188,447	188,447	201,668	201,852		(13,405)		(13,405)		188,447			0	1,852	03/01/2034...	1
31402Q-WA-5...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		35,274	35,274	34,354	34,369		905		905		35,274			0	301	01/01/2035...	1
31402R-AQ-2...	FNMA PASS-THRU LNG 30 YEAR		03/25/2010...	PRINCIPAL RECEIPT.....		49,802	49,801	51,144	51,108		(1,306)		(1,306)		49,802			0	531	12/01/2032...	1

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identi- fication	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Desig- nation or Market Indicator (a)
31402R-AS-8..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		58,991	58,991	60,674	60,667		(1,675)		(1,675)		58,991			0	630	03/01/2035..	1..
31402R-H2-8..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		21,816	21,816	22,019	22,010		(194)		(194)		21,816			0	210	12/01/2032..	1..
31403C-6L-0..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		60,179	60,178	61,624	61,610		(1,431)		(1,431)		60,179			0	476	02/01/2036..	1..
31405X-C6-8..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		3,318	3,317	3,308	3,308		10		10		3,318			0	29	11/01/2034..	1..
31408H-3H-6..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		45,467	45,467	44,977	44,980		487		487		45,467			0	417	02/01/2036..	1..
31410F-2Q-7..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		4,568	4,568	4,557	4,557		11		11		4,568			0	36	08/01/2034..	1..
31410F-5D-3..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		59,822	59,821	57,854	57,883		1,939		1,939		59,822			0	453	10/01/2035..	1..
31410F-T6-2..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		5,398	5,398	5,365	5,365		33		33		5,398			0	44	02/01/2035..	1..
31410G-KA-0..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		27,255	27,255	26,359	26,371		884		884		27,255			0	225	12/01/2036..	1..
31410K-NH-3..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	VARIOUS.....		376,739	357,389	350,577	350,643		495		495		351,138		25,601	25,601	5,292	05/01/2038..	1..
31410K-XE-9..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		327,899	327,899	347,368		(19,469)			(19,469)		327,899			0	1,503	10/01/2038..	1..
31410Q-NP-2..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		12,662	12,662	12,999	12,997		(335)		(335)		12,662			0	110	10/01/2036..	1..
31412P-G4-7..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		7,282	7,281	7,353		(72)			(72)		7,282			0	41	04/01/2039..	1..
31412Q-NL-9..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		10,421	10,421	10,851		(430)			(430)		10,421			0	43	09/01/2039..	1..
31413U-TP-4..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		12,424	12,423	12,727	12,725		(301)		(301)		12,424			0	140	12/01/2037..	1..
31414H-KB-2..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		47,995	47,995	49,195	49,193		(1,197)		(1,197)		47,995			0	461	01/01/2038..	1..
31414R-NH-4..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		5,387	5,386	5,242	5,244		143		143		5,387			0	50	03/01/2038..	1..
31414S-YB-3..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		66,003	66,002	70,097		(4,094)			(4,094)		66,003			0	303	06/01/2038..	1..
31416B-6L-7..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		15,581	15,580	16,454		(873)			(873)		15,581			0	71	09/01/2036..	1..
31416B-RY-6..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		34,797	34,796	36,085	36,116		(1,319)		(1,319)		34,797			0	275	07/01/2035..	1..
31416B-SP-4..	FNMA PASS-THRU LNG 30 YEAR		03/31/2010..	VARIOUS.....		4,679,826	4,404,144	4,722,757		(9,095)			(9,095)		4,713,661		(33,836)	(33,836)	29,175	11/01/2038..	1..
31416B-XR-4..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		144,852	144,852	149,956	149,938		(5,086)		(5,086)		144,852			0	1,318	08/01/2037..	1..
31416T-5F-2..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	VARIOUS.....		637,250	630,860	640,595	640,736		(470)		(470)		640,265		(3,015)	(3,015)	6,625	08/01/2039..	1..
31416T-L4-9..	FNMA PASS-THRU LNG 30 YEAR		02/25/2010..	GOLDMAN, SACHS & CO.....		1,696,034	1,678,138	1,693,609		(243)			(243)		1,693,366		2,669	2,669	5,244	08/01/2039..	1..
31417J-M6-4..	FNMA PASS-THRU LNG 30 YEAR		02/25/2010..	VARIOUS.....		1,698,897	1,683,753	1,698,487	1,698,625		(124)		(124)		1,698,502		395	395	14,692	07/01/2039..	1..
31417N-BY-6..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		454	453	471		(18)			(18)		454			0	2	10/01/2039..	1..
31417Q-K5-2..	FNMA PASS-THRU LNG 30 YEAR		01/25/2010..	VARIOUS.....		426,082	422,584	429,006	429,100		(191)		(191)		428,909		(2,827)	(2,827)	2,990	10/01/2039..	1..
31417Q-TJ-3..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		198,773	198,773	205,886	206,021		(7,248)		(7,248)		198,773			0	1,617	10/01/2039..	1..
31417T-MA-3..	FNMA PASS-THRU LNG 30 YEAR		03/25/2010..	PRINCIPAL RECEIPT.....		10,428	10,427	10,550		(122)			(122)		10,428			0	39	12/01/2039..	1..
31371N-LS-2..	7-10YR FNMA PASS-THRU LNG 10		03/25/2010..	PRINCIPAL RECEIPT.....		274,327	274,327	279,343	279,463		(5,136)		(5,136)		274,327			0	2,924	10/01/2037..	1..
31413Q-PD-4..	7-10YR FNMA PASS-THRU LNG 10		03/25/2010..	PRINCIPAL RECEIPT.....		373,521	373,521	384,377	384,586		(11,065)		(11,065)		373,521			0	3,612	10/01/2037..	1..
31418W-CG-5..	7-10YR FNMA PASS-THRU LNG 10		03/25/2010..	PRINCIPAL RECEIPT.....		505,866	505,865	539,695	540,781		(34,916)		(34,916)		505,866			0	5,530	12/01/2037..	1..
31418W-XZ-0..	7-10YR FNMA PASS-THRU LNG 10		03/25/2010..	PRINCIPAL RECEIPT.....		99,765	99,764	106,289		(6,524)			(6,524)		99,765			0	839	05/01/2038..	1..

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
31385J-HW-1...	FNMA PASS-THRU MEGA MULTI 7...		03/25/2010...	PRINCIPAL RECEIPT...		.911	.910	.942	.925		(14)		(14)		.911			.0	.10	07/01/2012...	1...
31385X-HZ-3...	FNMA PASS-THRU MEGA MULTI 7...		03/25/2010...	PRINCIPAL RECEIPT...		6,129	6,128	5,958	6,006		123		123		6,129			.0	.49	06/01/2013...	1...
31402C-5S-7...	FNMA PASS-THRU MEGA MULTI 7...		03/25/2010...	PRINCIPAL RECEIPT...		1,722	1,722	1,663	1,683		39		39		1,722			.0	.14	04/01/2014...	1...
31403D-GP-8...	FNMA PASS-THRU MEGA MULTI 7...		03/25/2010...	PRINCIPAL RECEIPT...		9,217	9,217	9,593	9,553		(336)		(336)		9,217			.0	.74	02/01/2016...	1...
31417Y-HM-2...	FNMA PASS-THRU SHRT 10 YEAR		03/25/2010...	VARIOUS...		8,161,471	7,845,196	8,127,133	8,128,309		(17,151)		(17,151)		8,111,158		50,313	50,313	.95,168	11/01/2019...	1...
31402D-FV-7...	FNMA PASS-THRU INT 15 YEAR 725680...		03/25/2010...	PRINCIPAL RECEIPT...		62,790	62,790	66,003	64,913		(2,123)		(2,123)		62,790			.0	.693	07/01/2017...	1...
31410K-6E-9...	FNMA PASS-THRU INT 15 YEAR		03/25/2010...	PRINCIPAL RECEIPT...		40,543	40,542	42,614	42,614		(2,072)		(2,072)		40,543			.0	.320	03/01/2024...	1...
31410K-6G-4...	FNMA PASSTHRU POOL #		03/25/2010...	PRINCIPAL RECEIPT...		14,263	14,263	15,012	15,010		(747)		(747)		14,263			.0	.121	09/01/2024...	1...
31378H-UH-2...	399384		03/25/2010...	PRINCIPAL RECEIPT...		5,868	5,868	6,004	5,897		(28)		(28)		5,868			.0	.74	09/01/2012...	1...
31371K-T9-2...	FNMA POOL #254476 5.5%		03/25/2010...	PRINCIPAL RECEIPT...		27,999	27,998	28,086	28,071		(72)		(72)		27,999			.0	.192	09/01/2032...	1...
31384V-ML-3...	FNMA POOL #535063 6.50%		03/25/2010...	PRINCIPAL RECEIPT...		18,905	18,904	19,501	19,164		(259)		(259)		18,905			.0	.205	12/01/2014...	1...
31385W-JE-7...	FNMA POOL #555081 6.329%		03/25/2010...	PRINCIPAL RECEIPT...		6,366	6,365	6,970	6,516		(150)		(150)		6,366			.0	.72	03/01/2012...	1...
31387D-3Q-0...	FNMA POOL #581407		03/25/2010...	PRINCIPAL RECEIPT...		175	174	178	178		(3)		(3)		175			.0	.2	06/01/2031...	1...
31405P-LQ-1...	4.602% 10/01/...		03/25/2010...	PRINCIPAL RECEIPT...		30,312	30,312	29,582	29,596		717		717		30,312			.0	.164	10/01/2034...	1...
31410F-UC-7...	FNMA POOL #888079		03/25/2010...	PRINCIPAL RECEIPT...		118,335	118,335	121,021	120,811		(2,476)		(2,476)		118,335			.0	1,089	10/01/2026...	1...
31410G-TM-5...	6.500% 10/01/...		03/25/2010...	PRINCIPAL RECEIPT...		102,093	102,092	104,015	103,966		(1,873)		(1,873)		102,093			.0	.982	03/01/2036...	1...
31410K-MG-6...	FNMA POOL #889659		03/25/2010...	PRINCIPAL RECEIPT...		102,093	102,092	104,015	103,966		(1,873)		(1,873)		102,093			.0	.982	03/01/2036...	1...
31410K-MG-6...	5.000% 12/01/...		03/25/2010...	PRINCIPAL RECEIPT...		39,378	39,378	37,905	37,931		1,447		1,447		39,378			.0	.309	12/01/2036...	1...
31410K-MG-6...	FNMA POOL #889886		03/25/2010...	PRINCIPAL RECEIPT...		39,378	39,378	37,905	37,931		1,447		1,447		39,378			.0	.309	12/01/2036...	1...
31410K-UK-8...	7.000% 12/01/...		03/25/2010...	PRINCIPAL RECEIPT...		177,792	177,791	186,126	186,108		(8,317)		(8,317)		177,792			.0	2,152	12/01/2037...	1...
31416C-EZ-5...	FNMA POOL #995752		03/25/2010...	PRINCIPAL RECEIPT...		18,810	18,809	19,135	19,133		(323)		(323)		18,810			.0	.138	05/01/2039...	1...
31418W-G3-0...	4.500% 5/01/...		03/25/2010...	PRINCIPAL RECEIPT...		18,810	18,809	19,135	19,133		(323)		(323)		18,810			.0	.138	05/01/2039...	1...
31418W-G3-0...	FNMA POOL #AD0217		03/25/2010...	PRINCIPAL RECEIPT...		248,340	248,340	262,464	262,461		(14,121)		(14,121)		248,340			.0	2,352	09/01/2039...	1...
31418W-G3-0...	6.000% 9/01/...		03/25/2010...	PRINCIPAL RECEIPT...		248,340	248,340	262,464	262,461		(14,121)		(14,121)		248,340			.0	2,352	09/01/2039...	1...
31418W-J5-2...	FNMA POOL #AD0283		03/25/2010...	PRINCIPAL RECEIPT...		349,556	349,555	371,594	371,447		(21,891)		(21,891)		349,556			.0	3,029	09/01/2024...	1...
31418W-J5-2...	5.500% 9/01/...		03/25/2010...	PRINCIPAL RECEIPT...		349,556	349,555	371,594	371,447		(21,891)		(21,891)		349,556			.0	3,029	09/01/2024...	1...
31418W-J5-2...	FNMA POOL #AD0477		03/25/2010...	PRINCIPAL RECEIPT...		349,556	349,555	371,594	371,447		(21,891)		(21,891)		349,556			.0	3,029	09/01/2024...	1...
31418W-J5-2...	5.500% 12/01/...		03/25/2010...	PRINCIPAL RECEIPT...		113,200	113,200	121,726	121,665		(8,464)		(8,464)		113,200			.0	.944	06/01/2020...	1...
31374S-6A-4...	FNMA POOL 323165 6.0%		02/26/2010...	VARIOUS...		50,062	46,845	48,932	47,595		(84)		(84)		47,511		2,550	2,550	.570	06/01/2013...	1...
31374T-PG-8...	FNMA POOL 323623 6.0%		02/26/2010...	VARIOUS...		120,692	112,773	116,033	114,058		(114)		(114)		113,944		6,748	6,748	1,389	03/01/2014...	1...
31387H-3W-8...	FNMA POOL 585013		03/25/2010...	PRINCIPAL RECEIPT...		2,556	2,555	2,660	2,588		(33)		(33)		2,556			.0	.28	06/01/2014...	1...
31394U-ZK-1...	FNMA REMIC		03/25/2010...	PRINCIPAL RECEIPT...		23,135	23,134	23,574	23,417		(283)		(283)		23,135			.0	.245	10/25/2032...	1...
31392D-P9-7...	6.000% 10/25/...		03/25/2010...	PRINCIPAL RECEIPT...		23,135	23,134	23,574	23,417		(283)		(283)		23,135			.0	.245	10/25/2032...	1...
31392D-P9-7...	FNMA REMIC TRUST		03/25/2010...	PRINCIPAL RECEIPT...		7,322	7,321	7,681	7,364		(43)		(43)		7,322			.0	.96	06/25/2042...	1...
31392E-S8-4...	FNMA REMIC TRUST 2002-W10		03/25/2010...	PRINCIPAL RECEIPT...		28,290	28,289	28,254	28,254		35		35		28,290			.0	.302	08/25/2042...	1...
31392D-H7-0...	FNMA REMIC TRUST 2002-W6		03/25/2010...	PRINCIPAL RECEIPT...		19,253	19,252	19,776	19,776		(523)		(523)		19,253			.0	.222	06/25/2042...	1...
31395N-UA-7...	FNMA REMIC TRUST 2006-59		03/25/2010...	PRINCIPAL RECEIPT...		311,078	311,078	312,634	311,780		(702)		(702)		311,078			.0	2,836	02/25/2029...	1...
31397L-NJ-4...	FNMA REMIC TRUST 2008-40		03/25/2010...	PRINCIPAL RECEIPT...		269,354	269,353	274,531	273,602		(4,248)		(4,248)		269,354			.0	2,638	03/25/2031...	1...
38375J-M9-3...	FNMA REMIC TRUST 2007-27		03/20/2010...	PRINCIPAL RECEIPT...		352,400	352,399	353,060	352,826		(426)		(426)		352,400			.0	2,733	09/20/2036...	1...
59219S-AW-1...	METROPOLITAN NASHVILLE		03/20/2010...	PRINCIPAL RECEIPT...		352,400	352,399	353,060	352,826		(426)		(426)		352,400			.0	2,733	09/20/2036...	1...
79765R-RG-6...	TENN AR SPL		03/17/2010...	MORGAN KEEGAN & COMPANY I...		1,017,500	1,000,000	1,000,000					.0		1,000,000		17,500	17,500	7,736	07/01/2029...	1FE...
79765R-RG-6...	SAN FRANCISCO CALIF CITY		01/07/2010...	Suntrust Capital...		83,218	80,000	86,307	86,172		(9)		(9)		86,163		(2,945)	(2,945)	.789	11/01/2029...	1FE...
791698-AC-7...	& CNT WTR		03/15/2010...	STIFEL, NICOLAUS & CO., IN...		3,000,000	3,000,000	2,836,470	2,843,802		832		832		2,844,634		155,366	155,366	211,500	09/01/2029...	1FE...
882721-VR-1...	REV TAX		01/06/2010...	FIDELITY CAP MARKETS (DIV...		72,833	70,000	74,358	74,225		(7)		(7)		74,218		(1,386)	(1,386)	.972	04/01/2037...	1FE...
3199999	MOB		01/06/2010...	FIDELITY CAP MARKETS (DIV...		72,833	70,000	74,358	74,225		(7)		(7)		74,218		(1,386)	(1,386)	.972	04/01/2037...	1FE...
Totals - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						46,077,772	45,220,270	46,278,101	37,801,628	0	(402,313)	0	(402,313)	0	45,877,109	0	200,663	200,663	593,091	XXX	XXX

STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
025816-AZ-2	AMERICAN EXPRESS CO.		03/03/2010	VARIOUS		3,879,636	3,060,000	3,872,338	1,930,980		(901)		(901)		3,870,119		9,518	9,518	115,689	03/19/2038	1FE
025816-BB-4	AMERICAN EXPRESS CO.		03/11/2010	MIZUHO SECURITIES USA INC.		1,204,320	1,000,000	1,187,830	1,186,661		(2,967)		(2,967)		1,183,693		20,627	20,627	26,181	05/20/2019	1FE
03063V-AE-9	AMERICREDIT AUTO REC 2008-2		03/06/2010	PRINCIPAL RECEIPT		33,970	33,970	34,793	34,784		(814)		(814)		33,970			0	251	08/06/2012	1FE
02586G-AR-3	AMEX ISSUANCE TR 2008-2		02/16/2010	PRINCIPAL RECEIPT		550,000	550,000	549,997	550,030		(30)		(30)		550,000			0	3,685	01/15/2011	1FE
032510-AC-3	ANADARKO PETROLEUM CORPORATION		03/12/2010	Barclays Capital		145,709	145,000	143,946					0		143,946		1,763	1,763	25	03/15/2040	1FE
03523T-AH-1	ANHEUSER BUSCH INBEV WORLDWIDE		01/25/2010	CHASE SECURITIES, INC.		143,795	140,000	139,808	139,815		2		2		139,817		3,978	3,978	1,636	01/15/2015	2FE
03523T-AJ-7	ANHEUSER BUSCH INBEV WORLDWIDE		01/25/2010	VARIOUS		256,843	250,000	248,363	248,387		7		7		248,395		8,448	8,448	3,789	01/15/2020	2FE
00206R-AJ-1	AT&T INC.		02/17/2010	RBC CAPITAL MARKETS CORP.		392,655	375,000	374,175	374,309		9		9		374,309		18,346	18,346	11,516	02/01/2018	1FE
05949C-CA-2	BA MTG SECS INC 2005-F		03/25/2010	PRINCIPAL RECEIPT		62,253	62,252	56,027	59,310		2,943		2,943		62,253			0	529	07/25/2035	12*
060516-DX-4	BANK AMER FDG CORP.		02/12/2010	Barclays Capital		171,148	175,000	178,742	178,714		(41)		(41)		178,674		(7,525)	(7,525)	2,939	05/01/2018	1FE
060516-DZ-9	BANK AMER FDG CORP.		03/29/2010	VARIOUS		950,686	845,000	956,391	465,814		(794)		(794)		954,701		(4,015)	(4,015)	14,036	06/01/2019	1FE
06423A-AS-2	BANK ONE CORP.		02/04/2010	CHASE SECURITIES, INC.		429,668	400,000	399,252	399,594		11		11		399,605		30,063	30,063	11,025	01/30/2013	1FE
055451-AG-3	BHP BILLITON FIN USA LTD.		03/18/2010	MIZUHO SECURITIES USA INC.		1,328,496	1,200,000	1,195,992	1,196,534		157		157		1,196,690		131,806	131,806	31,533	04/01/2014	1FE
38376H-AA-6	BK OF ENGLAND EURO 2.375% 3/19		03/01/2010	MORGAN STANLEY&CO INC PRO.		307,482	300,000	298,872	299,159		62		62		299,221		8,260	8,260	6,868	03/19/2012	1FE
09247X-AB-7	BLACKROCK INC.		01/13/2010	VARIOUS		1,616,983	675,000	762,135	760,027		(87)		(87)		759,940		857,043	857,043	7,383	02/15/2035	1FE
12189P-AJ-1	BURLINGTON NORTH SF 2001-1		01/15/2010	PRINCIPAL RECEIPT		18,388	18,388	18,774	18,736		(347)		(347)		18,388			0	619	07/15/2022	1FE
12189P-AG-7	BURLINGTON NORTHERN SANTA FE 8.25%		01/15/2010	Sink PMT @ 100.0000000		46,907	46,906	48,310	48,167		(1,260)		(1,260)		46,907			0	1,935	01/15/2021	1FE
12673P-AC-9	CA INC SR NT 5.375%19		01/26/2010	VARIOUS		51,238	50,000	49,982	49,982		0		0		49,983		1,255	1,255	967	12/01/2019	2FE
14170T-AA-9	CAREFUSION CORP.		01/26/2010	CHASE SECURITIES, INC.		110,342	100,000	98,358	98,410		8		8		98,419		11,923	11,923	3,329	08/01/2019	2FE
161630-AQ-1	CHASE MORTGAGE FIN TR 2007-A1		03/25/2010	PRINCIPAL RECEIPT		191,800	191,799	186,765	186,884		4,916		4,916		191,800			0	946	02/25/2037	12*
125509-BF-5	CIGNA CORP.		01/11/2010	BANC AMERICA SECURITIES L		263,330	250,000	254,256	254,099		(157)		(157)		254,099		9,231	9,231	9,042	01/15/2011	2FE
125509-BG-3	CIGNA CORP. 6.375%		01/15/2010	BANC AMERICA SECURITIES L		160,911	150,000	167,670	154,717		(98)		(98)		154,618		6,293	6,293	2,550	10/15/2011	2FE
17312K-AQ-5	CITICORP MTG SEC REMIC 2007-5		03/25/2010	PRINCIPAL RECEIPT		241,196	241,195	208,634	211,280		29,916		29,916		241,196			0	3,255	06/25/2037	12*
172967-EM-9	CITIGROUP INC SR NT 6.125%17		02/12/2010	SALOMON SMITH BARNEY INC/		98,873	100,000	101,829	101,818		(21)		(21)		101,797		(2,924)	(2,924)	1,480	11/21/2017	1FE
20030N-AJ-0	COMCAST CORP NEW		01/11/2010	SALOMON SMITH BARNEY INC/		551,135	500,000	499,960	499,974		0		0		499,974		51,161	51,161	4,794	11/15/2015	2FE
20030N-AP-6	COMCAST CORP NEW		01/12/2010	GOLDMAN, SACHS & CO.		614,972	550,000	549,734	549,855		0		0		549,856		65,116	65,116	17,875	01/15/2017	2FE
20046P-AB-4	COMM 2000-C1		03/15/2010	PRINCIPAL RECEIPT		79,034	79,034	85,030	79,034		(496)		(496)		79,034			0	848	08/15/2033	1FE
225458-UE-6	CSFB MTG PTC 2005-5		03/25/2010	PRINCIPAL RECEIPT		28,050	28,050	28,375	24,150		4,195		3,901		28,050			0	295	07/25/2035	12*
12668A-Z3-2	CWALT INC 5.500% 12/25/		03/25/2010	PRINCIPAL RECEIPT		17,186	17,185	17,244	14,549		2,679		(42)		17,186			0	158	12/25/2035	12*
12668A-N2-7	CWALT INC 2005-69		03/25/2010	PRINCIPAL RECEIPT		4,777	4,777	3,341	3,410		1,367		1,367		4,777			0	10	12/25/2035	12*
02146T-AA-5	CWALT INC 2006-24CB		03/25/2010	PRINCIPAL RECEIPT		41,615	41,615	40,750	33,536		7,273		807		41,615			0	392	08/25/2036	12*
02148Y-AC-8	CWALT INC 2006-42		03/25/2010	PRINCIPAL RECEIPT		200,564	200,563	161,494	161,494		39,070		39,070		200,564			0	1,646	01/25/2047	32*
02151A-AJ-9	CWALT INC 2007-19		03/19/2010	VARIOUS		394,271	1,444,109	400,018	400,018		34,065		34,065		434,083		(39,811)	(39,811)	15,248	08/25/2037	12*
02149V-AJ-3	CWALT INC 2007-3T1		03/25/2010	PRINCIPAL RECEIPT		147,247	139,517	139,517	139,423		7,824		7,824		147,247			0	997	03/25/2027	12*
126694-HM-3	CWMS INC 2005-25		03/25/2010	PRINCIPAL RECEIPT		60,191	60,190	59,739	59,870		320		320		60,191			0	551	11/25/2035	12*
29379V-AC-7	ENTERPRISE PRODS OPER LLC		01/26/2010	UBS WARBURG		32,972	30,000	30,995	30,957		(6)		(6)		30,951		2,021	2,021	970	01/31/2019	2FE
298785-EV-8	EUROPEAN INVT BK		02/17/2010	RBC CAPITAL MARKETS CORP.		787,109	765,000	761,963	762,288		73		73		762,361		24,748	24,748	5,180	06/04/2014	1FE
31331F-AX-9	FEDERAL EXPRESS 6.72%		01/15/2010	Sink PMT @ 100.0000000		46,052	46,051	51,745	50,019		(3,967)		(3,967)		46,052			0	1,547	01/15/2022	1FE
320516-XQ-3	FIRST HORIZON MTG TR 2005-AR5		03/25/2010	PRINCIPAL RECEIPT		54,245	54,244	48,820	51,273		2,972		2,972		54,245			0	429	11/25/2035	12*
36967H-BB-2	GENL ELEC CAP CORP FDIC TLGP		03/19/2010	GOLDMAN, SACHS & CO.		370,088	365,000	366,205	366,105		(85)		(85)		366,019		4,069	4,069	3,569	09/28/2012	1FE
361849-MK-5	GMAC COMML MTGE SECS 2000-C2		03/16/2010	PRINCIPAL RECEIPT		71,263	71,262	77,476	76,390		(5,128)		(5,128)		71,263			0	1,216	08/16/2033	1FE
381416-ES-9	GOLDMAN SACHS GROUP INC.		01/26/2010	MIZUHO SECURITIES USA INC.		1,867,080	2,000,000	1,796,240	1,806,690		419		419		1,807,109		59,971	59,971	64,128	01/15/2027	1FE
38141E-A2-5	GOLDMAN SACHS GRP INC MTN BE		02/12/2010	GOLDMAN, SACHS & CO.		333,996	295,000	333,804			(9)		(9)		333,795		201	201	184	02/15/2019	1FE
38141E-A5-8	GOLDMAN SACHS GRP INC MTN BE		03/29/2010	GOLDMAN, SACHS & CO.		123,421	125,000	123,874			5		5		123,879		(457)	(457)	411	03/15/2020	1FE
362334-CN-2	GSR MTG LN TR 2006-2F		03/25/2010	PRINCIPAL RECEIPT		87,965	87,965	84,157	84,157		3,809		3,809		87,965			0	849	02/25/2036	12*
362320-AT-0	GTE CORP.		03/08/2010	BOENNING & SCATTERGOOD IN		1,240,000	1,000,000	1,177,238	1,177,238		(1,868)		(1,868)		1,175,371		64,629	64,629	31,597	11/01/2021	1FE
41162D-AF-6	HARBORVIEW MTG LN TR 2006-12		03/19/2010	PRINCIPAL RECEIPT		4,762	4,761	3,488	3,613		1,149		1,149		4,762			0	3	12/19/2036	12*
418056-AN-7	HASBRO INC.		02/12/2010	VARIOUS		1,447,819	875,000	1,102,712	1,089,464		(1,976)		(1,976)		1,087,488		360,331	360,331	5,147	12/01/2021	2FE
42217K-AP-1	HEALTH CARE REIT INC.		03/10/2010	UBS WARBURG		1,128,750	1,000,000	964,666	965,015		233		233		1,087,248		163,502	163,502	13,722	12/01/2026	2FE
42217K-AQ-9	HEALTH CARE REIT INC.		03/10/2010	UBS WARBURG		2,154,125	1,900,000	1,977,488	1,972,928		(533)		(533)		1,972,395		181,730	181,730	60,167	07/15/2027	2FE



STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Maturity Date	NAIC Designation or Market Indicator (a)
438516-AK-2	HONEYWELL INTL INC		03/01/2010	MATURITY		1,000,000	1,000,000	1,061,670	1,003,086		(3,086)		(3,086)		1,000,000			.0	37,500	03/01/2010	1FE
458140-AD-2	INTEL CORP		03/01/2010	VARIOUS		3,457,651	3,600,000	3,548,677	3,546,114		167		167		3,546,281		(88,630)	(88,630)	19,629	12/15/2035	1FE
472319-AF-9	JEFFERIES GROUP INC NEW		01/15/2010	JEFFERIES & CO BONDS DIR		22,536	20,000	22,522		(2)			(2)		22,519		.16	.16	949	07/15/2019	1FE
466247-LR-2	JP MORGAN ACCEPT 2005-A1		03/25/2010	PRINCIPAL RECEIPT		75,558	75,558	64,225		9,002			9,002		75,558		.0	.0	551	02/25/2035	12*
46625H-HL-7	JPMORGAN CHASE & CO		01/21/2010	CHASE SECURITIES, INC		477,679	430,000	429,547		1			1		429,573		48,106	48,106	6,288	04/23/2019	1FE
52108H-DF-8	LB COMMERCIAL MTG TR		03/17/2010	PRINCIPAL RECEIPT		1,552	1,551	1,651	1,568		(17)		(17)		1,552			.0	24	11/15/2027	1FE
53079E-AT-1	LIBERTY MUTUAL GROUP		02/01/2010	MATURITY		650,000	650,000	646,198	649,946		54		54		650,000			.0	15,844	02/01/2010	2FE
53947W-AB-2	LLOYDS TSB BANK PLC		01/28/2010	VARIOUS		294,794	300,000	299,301		2			2		299,303		(4,509)	(4,509)	902	01/13/2020	1FE
55292A-AA-6	MASTR ASSET SEC TR 2007-1		03/25/2010	PRINCIPAL RECEIPT		10,730	10,729	9,389	9,522		1,208		1,208		10,730			.0	101	11/25/2037	12*
55265K-3R-8	MASTR ASSET TR 2003-12		03/25/2010	PRINCIPAL RECEIPT		24,944	24,943	24,885		59			59		24,944			.0	218	12/25/2033	12*
585055-AL-0	MEDTRONIC INC		01/13/2010	VARIOUS		2,352,808	2,300,000	2,413,959		(900)			(900)		2,333,943		18,865	18,865	9,008	04/15/2011	1FE
617446-V7-1	MORGAN STANLEY		03/29/2010	MORGAN STANLEY&CO INC PRO		104,769	100,000	105,831		(21)			(21)		105,810		(1,041)	(1,041)	556	08/28/2017	1FE
61980A-AC-7	MOTIVA ENTERPRISES LLC		01/15/2010	VARIOUS		62,786	60,000	61,668		(1)			(1)		61,666		.96	1,119	1,119	01/15/2020	1FE
649080-AA-9	NEW VY GENERATION V		01/15/2010	Principal Receipt		54,017	54,016	54,017	54,017				.0		54,017			.0	1,331	01/15/2021	1FE
652482-BT-6	NEWS AMER INC GTD SR NT		02/04/2010	VARIOUS		114,340	100,000	99,742	99,753		1		1		99,754		14,586	14,586	2,828	03/01/2019	2FE
652482-BY-5	NEWS AMER INC SR NT		02/04/2010	VARIOUS		443,964	400,000	427,912	204,991	(9)			(9)		427,884		16,080	16,080	14,021	08/15/2039	2FE
71645W-AP-6	PETROBRAS INTL FIN CO		01/29/2010	VARIOUS		214,376	212,000	210,007	210,032	.5			.5		210,037		4,339	4,339	2,702	01/20/2020	2FE
71713U-AW-2	PHARMACIA CORP		03/04/2010	BOENNING & SCATTERGOOD IN		1,094,940	1,000,000	1,038,460	1,037,052	(181)			(181)		1,036,871		58,069	58,069	17,967	12/01/2028	1FE
743873-AW-1	PROVIDENT FDG MTG LN		03/25/2010	PRINCIPAL RECEIPT		14,927	14,927	12,688			4,660		4,660		14,927			.0	79	05/25/2035	12*
783876-AZ-7	SBC COMMUNICATIONS INC		02/02/2010	GOLDMAN, SACHS & CO		202,423	185,000	180,181		41			41		181,295		21,129	21,129	1,445	06/15/2016	1FE
812007-AE-2	SEAGULL ENERGY CORP		03/04/2010	BOENNING & SCATTERGOOD IN		1,695,738	1,465,000	1,617,756	1,604,198	(745)			(745)		1,603,454		92,284	92,284	53,106	09/15/2027	2FE
843646-AG-5	SOUTHERN PMR CO		03/04/2010	WALL STREET ACCESS		1,021,670	1,000,000	948,750	949,922	117			117		950,039		71,631	71,631	20,188	11/15/2036	2FE
867914-AZ-6	SUNTRUST BKS INC		01/26/2010	WACHOVIA SECURITIES CAPIT		30,411	30,000	30,338		(1)			(1)		30,337		.74	.74	690	09/11/2017	1FE
875127-AW-2	TAMPA ELEC CO		03/03/2010	WALL STREET ACCESS		1,020,020	1,000,000	994,330	994,517	13			13		994,530		25,490	25,490	19,304	05/15/2037	2FE
87236V-AA-0	TD AMERITRADE HLDG CORP		03/16/2010	BOENNING & SCATTERGOOD IN		1,510,500	1,500,000	1,507,560		(112)			(112)		1,507,448		3,052	3,052	16,600	12/01/2019	1FE
872540-AN-9	TJX COS INC NEW		02/02/2010	CREDIT SUISSE FIRST BOSTO		116,321	110,000	109,991	109,992				.0		109,992		6,329	6,329	3,772	08/15/2015	1FE
90261X-FA-5	UBS AG BRH MTN SR DEP NT		01/26/2010	UBS PAINE WEBBER INC		2,075,900	2,000,000	1,987,560	1,989,185	70			70		1,989,256		86,644	86,644	30,028	04/25/2018	1FE
907833-AF-4	UNION PACIFIC RR		01/02/2010	Sink PMT @ 100.0000000		84,527	84,527	84,527					.0		84,527			.0	2,895	01/02/2019	1FE
907833-AG-2	UNION PACIFIC RR		01/02/2010	Sink PMT @ 100.0000000		73,200	73,200	73,200					.0		73,200			.0	2,317	01/02/2020	1FE
907833-AH-0	UNION PACIFIC RR		01/02/2010	Sink PMT @ 100.0000000		13,638	13,638	13,710		(72)			(72)		13,638			.0	518	01/02/2020	1FE
90783X-AA-9	UNION PACIFIC RR CO 2007-3		01/04/2010	PRINCIPAL RECEIPT		8,869	8,869	8,869	8,869				.0		8,869			.0	274	01/02/2031	1FE
91020Q-AB-3	UNITED ENERGY DISTR PTY LTD		01/26/2010	MORGAN KEEGAN & COMPANY I		964,200	1,000,000	939,000	942,124	518			518		942,642		21,558	21,558	15,744	04/15/2016	2FE
91324P-BH-4	UNITEDHEALTH GROUP INC		02/05/2010	STIFEL, NICOLAUS & CO., IN		88,529	83,000	79,014	79,708	91			91		79,800		8,729	8,729	1,944	02/15/2013	2FE
91913V-AL-4	VALERO ENERGY CORP NEW		01/15/2010	VARIOUS		72,700	75,000	72,044		1			1		72,045		655	655	497	06/15/2037	2FE
92343V-AM-6	VERIZON COMMUNICATIONS INC		01/07/2010	CHASE SECURITIES, INC		27,369	25,000	24,870	24,887				.0		24,887		2,482	2,482	369	04/15/2018	1FE
92343V-AQ-7	VERIZON COMMUNICATIONS INC		01/07/2010	CHASE SECURITIES, INC		241,570	190,000	188,932	189,014	1			1		189,015		52,555	52,555	3,279	11/01/2018	1FE
92343V-AV-6	VERIZON COMMUNICATIONS INC		01/07/2010	CHASE SECURITIES, INC		111,020	100,000	106,373	106,084	(8)			(8)		106,075		4,945	4,945	1,782	04/01/2019	1FE
92976W-BK-1	WACHOVIA CORP GLOBAL MTN		01/05/2010	MORGAN STANLEY&CO INC PRO		1,973,818	1,925,000	1,925,000	1,925,000						1,925,000		48,818	48,818	7,456	05/01/2013	1FE
92922F-W2-0	WAMU MTG CERT 2005-AR10		03/25/2010	PRINCIPAL RECEIPT		41,556	41,556	40,089		1,397			1,397		41,556		.0	.0	323	09/25/2035	12*
93363N-AF-2	WAMU MTG CERT 2006-AR12		03/25/2010	PRINCIPAL RECEIPT		26,143	26,143	24,084		1,996			1,996		26,143		.0	.0	202	10/25/2036	12*
93935P-AP-4	WAMU PTC WMALT 2007-1		03/25/2010	PRINCIPAL RECEIPT		11,563	10,768	10,802		761			761		11,563			.0	90	01/25/2022	12*
949746-CL-3	WELLS FARGO 5.125%		01/15/2010	RBC CAPITAL MARKETS CORP		637,380	600,000	602,874	600,990	(14)			(14)		600,976		36,404	36,404	11,958	09/01/2012	1FE
949810-AF-5	WELLS FARGO MBS 2005-AR16		03/25/2010	PRINCIPAL RECEIPT		13,561	13,561	13,193		363			363		13,561			.0	74	10/25/2035	12*
94982P-AA-7	WELLS FARGO MBS 2005-AR7		03/25/2010	PRINCIPAL RECEIPT		176,912	176,912	175,244		1,651			1,651		176,912		.0	.0	747	05/25/2035	12*
94983B-AA-7	WELLS FARGO MBS 2006-4		03/25/2010	PRINCIPAL RECEIPT		22,320	22,319	21,854		466			466		22,320		.0	.0	320	04/25/2036	12*
94980S-A0-8	WELLS FARGO MBS 2006-9		03/25/2010	PRINCIPAL RECEIPT		356,922	356,921	342,868		14,822			14,822		356,922			.0	3,290	08/29/2036	12*
15135U-AC-3	CENOVUS ENERGY INC		01/26/2010	VARIOUS		211,122	200,000	199,866		1			1		199,870		11,252	11,252	4,148	10/15/2019	2FE
3899999	- Totals - Bonds - Industrial and Miscellaneous (Unaffiliated)					47,847,591	44,722,513	45,303,278	39,737,079	14,147	140,522	0	154,669	0	45,245,261	0	2,602,332	2,602,332	836,581	XXX	XXX
8399997	- Total - Bonds - Part 4					248,452,288	246,748,828	246,272,793	118,831,695	14,147	(270,211)	0	(256,064)	0	245,774,455	0	2,677,835	2,677,835	2,727,445	XXX	XXX

## E05.7

## E05.7

## E05.7

## E05.7

## E05.7

Schedule DB - Part A - Section 1  
NONE

Schedule DB - Part B - Section 1  
NONE

Schedule DB - Part D  
NONE



**STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.**

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

**Show Investments Owned End of Current Quarter**[illegible]



STATEMENT AS OF MARCH 31, 2010 OF THE Group Hospitalization and Medical Services, Inc.  
**MEDICARE PART D COVERAGE SUPPLEMENT**

(Net of Reinsurance)

NAIC Group Code

00380

NAIC Company Code

53007

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected .....	1,626,535	XXX		XXX	1,626,535
2. Earned Premiums .....	1,626,535	XXX		XXX	XXX
3. Claims Paid .....	1,457,668	XXX		XXX	1,457,668
4. Claims Incurred .....	1,454,985	XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing – Claims Paid Net of Reimbursements Applied (a) .....	XXX		XXX		.0
6. Aggregate Policy Reserves - Change .....		XXX		XXX	XXX
7. Expenses Paid .....	375,560	XXX		XXX	375,560
8. Expenses Incurred .....	375,560	XXX		XXX	XXX
9. Underwriting Gain or Loss .....	(204,010)	XXX	.0	XXX	XXX
10. Cash Flow Result .....	XXX	XXX	XXX	XXX	(206,693)

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ .....due from CMS or \$ .....due to CMS